

CHAPTER 7 [REORGANIZATION

Introduction

Twenty-first century government should begin with an organizational structure that makes sense, works better, and costs less. A functional governmental framework is essential to providing:

- Accountability with clear lines of leadership, responsibility, and authority.
- Prioritization by making choices on the use and allocation of government resources using outcome-based performance and productivity measures.
- Coordination of services in order to leverage California's resources for the good of the people.

The California Performance Review (CPR) proposed a new framework for the organization of California's state government. Two core principles guide the CPR's approach to government reorganization. First, programs should be aligned by function. By combining entities that provide similar and related activities, duplication of roles can be identified and best practices shared. Second, administrative services should be consolidated. Common internal services should be combined to achieve economies of scale and reduce duplication. By employing these principles the CPR proposal attempts to bring greater efficiency, increased productivity, and improve the overall performance of the state.

After a comprehensive review of the state's organizational framework, CPR proposed the creation of eleven departments that would combine policy-setting and program administration into one entity. The departments are: Health and Human Services; Education and Workforce Preparation; Labor and Economic Development; Public Safety and Homeland Security; Environmental Protection; Infrastructure; Natural Resources; Commerce and Consumer Protection; Correctional Services; Food and Agriculture; and Veterans Affairs.

In addition to these eleven departments, the CPR proposed the creation of the Governor's Office of Management and Budget and the California Tax Commission.

BOARDS AND COMMISSIONS

At present, there are more than 339 boards, commissions, and task forces within the executive branch that perform a variety of duties. These boards and

commissions were created in order to provide transparency, public access, and to insulate decision-makers from politics.

After conducting a comprehensive review of 339 boards and commissions within the executive branch, CPR concluded that a central problem of these boards and commissions is a lack of general accountability. Furthermore, according to CPR, some of these boards and commissions do not provide transparency, are inefficient, and are not cost effective.

To address this issue, CPR identified and recommended the elimination of 117 boards and commissions. In some cases, both the board or commission and its functions are proposed for elimination. In other cases, the board governing structure is proposed for elimination, but the functions of the board are proposed to be transferred to an existing or new department.

CPR also identified numerous entities that are technically defunct and should formally be eliminated from statute.

The framework employed by CPR in their review of boards and commissions focused on the following questions:

- What was the chief purpose for creating the board or commission?
- What are the chief powers and duties of the board or commission?
- What costs are associated with this entity?
- Are there other entities that logically should perform the functions of the entity?
- Must this duty be performed by an autonomous body?

The projected savings from the recommendation to eliminate 117 boards and commissions is \$34 million.

CPR COMMISSION HEARING

The CPR Commission Hearing on Government Reorganization was held at the University of California, Davis on September 27, 2004. Four panels of expert witnesses, representing a broad array of public opinion, testified in front of the Commission. The panels were organized by the following subject areas:

- Role of Boards and Commissions
- Principles of Reorganization
- Labor/Economic Development and Commerce/Consumer Protection
- Office of Management and Budget and California Tax Commission

In total, 17 witnesses presented oral testimony to the Commission.

SUMMARY OF PUBLIC COMMENT

The time and effort put forth by the CPR commission to improve the state's efficiency and effectiveness was recognized by a majority of the public. The primary concern of the proposed reorganization was that the report lacked sufficient detail. For example, it was not clear what the job status for employees within a transferred or eliminated department would be after reorganization. In addition, the lack of detail in the proposal caused many people to feel that they did not have enough information to adequately respond and/or analyze the impact, effectiveness, and feasibility of the proposed reorganization.

Boards and commissions are very important to the public. Although many approved of the effort to streamline the state government, the public was very concerned that the proposed elimination would limit access to decision-makers, decrease public input into policy recommendations, and reduce transparency.

In total, 728 comments were received on the Reorganization recommendations of the CPR report. In total, 945 comments were received on the Boards and Commissions recommendations of the CPR report.

Reorganization

"(The Report of the California Performance Review) raises issues of clear and longstanding importance. And it creates an opportunity to ask the 'forest' questions in an environment mostly preoccupied with immediate and narrow 'tree' concerns."

Robert C. Fellmeth
Executive Director
Center for Public Interest Law
Written Testimony

REORGANIZATION

ADDITIONAL COMMENTS, ISSUES, AND IDEAS

OVERVIEW

The CPR report offers a plan to implement a new organizational framework for the state. The public review process provided important perspectives on the recommendations for the reorganization of state government and the proposal to eliminate 117 state boards and commissions. Where appropriate, these comments have been included in the subsequent discussion of reorganization recommendations. This section presents those issues and ideas that did not fit within that framework.

Reorganization

- Successful reform efforts resolve the tension between expertise and independence. The independence of the decision-maker allows for decisions to be made based on information rather than interests. Expertise allows the decision-maker to make a choice that does not lead to unintended consequences.
- Consolidation is positive where there is genuine overlap. Merging state entities based on superficial similarities between departments

and agencies may not create the efficiency sought by CPR. A more detailed analysis of the substantive similarities between entities will reveal more effective areas for consolidation and lead to greater governmental consistency.

- Alternatives to regulation via licensure should be considered. Removing regulations may enhance the competitive focus of the market and limit the need for regulation. For example, a state can require that businesses provide affirmative disclosure of the limitations or deficiencies of their products.
- Resolving organizational inefficiencies should not preclude increasing funding where necessary. By creating this artificial limitation, the CPR report may have diminished its credibility.
- In evaluating the utility of departments and agencies, it is necessary to assess which functions of state government should continue to be provided.
- Consolidating state entities with an eye toward streamlining state government requires evaluating key systems of delivery between state and local entities.
- Legislative oversight and control over important budget and policy matters may be significantly reduced by these proposals.
- Reorganization of state government implies changes to laws that govern state entities. While the CPR report identified some areas where the constitution may have to change, it does not specifically address the constitutional issues that may arise as a direct result of the CPR's recommendations.
- A clear assessment of where the state is currently and where the state will be after reorganization would be helpful. This would allow a comparison of costs and benefits and an understanding of how effectiveness, oversight, accountability, and efficiency would be affected.

General Comments

- Consolidation can lead to less informed decision-making. By locating the decision-making authority within one office in a large bureaucracy, the expertise that comes from consultation with individuals in other agencies may be lost.
- The state should consider consolidating similar job classifications to achieve efficiency and economy of scale. For example, the state has many scientists that perform similar job duties. Placing them under a

single entity, such as a Department of Science and Technology, could increase interaction and collaboration and lead to innovative ideas and new discoveries.

- Although sometimes cumbersome, the state's current organization works well for the people. With proper funding and staffing, state agencies and departments would be able to operate to their full potential.

Boards and Commissions

- Boards and commissions should be reviewed regularly. The needs of a state evolve as should the work and composition of boards and commissions.
- Boards bear political importance. They provide a forum where expertise and experience can be shared and innovative ideas can be formed.
- Unlike state departments and agencies, boards do not have the flexibility to monitor and fund programs. When programs administered by a board and a department are similar, there may be difficulty coordinating responsibilities.
- There should be a distinction made between eliminating a board and eliminating a function. For optimal efficiency, it is necessary to evaluate the effectiveness of the function a board provides and the need for that function to continue in state government.
- Boards and commissions do provide a public good in that they offer an open forum where the public can participate in the decision-making process. Eliminating these points of access may prevent individuals from taking part in their government.
- Without the effective check and balance process provided by boards and commissions, departments and agencies may be able to make decisions on certain policy or appeal issues.
- The Bureau of Security and Investigative Services (BSIS) should be considered for elimination. The licensing function of private investigators and security guards can be moved to another state agency.
- It is recommended that the Research Advisory Panel be considered for elimination. With the evolution of Institutional Review Boards (IRBs) the panel now largely duplicates work and is yet another layer of bureaucracy with which researchers and pharmaceutical companies must contend.

THE DEPARTMENT OF HEALTH AND HUMAN SERVICES

ISSUE

After two decades without significant change, California's Health and Human Services Agency has become a maze of overlapping programs and disparate responsibilities. The CPR found three core problems with the current organization of the Health and Human Services Agency:

- *Responsibility for agency functions is scattered among numerous departments.*
- *There is significant duplication of common administrative and leadership functions.*
- *The current organizational structure is a remnant of the 1970s and does not reflect modern developments and best practices in health and human services.*

ORGANIZATIONAL IMPROVEMENTS

To solve these problems, CPR proposed that the Health and Human Services Agency and its constituent departments be reorganized into one integrated department with centers focused around core functions. The Health and Human Services Department will be composed of the following seven entities: Office of the Secretary, the Center for Health Purchasing, the Center for Public Health, the Center for Behavioral Health, the Center for Services to the Disabled, the Center for Social Services, and the Center for Finance and Supportive Services. The Department of Health and Human Services will work to:

- *Assure all Californians that the state's public health systems will respond effectively and without delay in the event of any outbreak of disease or bioterrorism.*
 - *Operate state facility and health professional licensing programs in a way that protects consumers and applies fair and rational licensing standards.*
 - *Build an organization that better addresses the common linkages between mental health problems and substance abuse problems.*
 - *Recognize the priority of providing both developmental and physical rehabilitation services to California's disabled community.*
 - *Provide effective assistance to families that need support from government on a temporary basis due to unforeseen circumstances.*
 - *Ensure that taxpayers get the best value for health services purchased by the state.*
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PUBLIC COMMENT

31 comments were received for the recommendations in this section. 2 comments expressed support. 19 comments expressed opposition. 10 comments were neutral.

Pros

- The effort to alleviate problems within the health care system is a positive step.

Cons

- The efficiency and cost savings of outsourcing some health care services should be reconsidered. Outsourcing does not allow for continued oversight functions once initial contract terms are met. Oversight functions need to be in place in order for outsourcing to be a viable option.
- The division of functions and responsibilities of the Department of Managed Health Care could lead to greater inefficiency.
- There is potential to create an unmanageable bureaucracy by merging various functions of multiple state agencies into one department. The multiple layers of responsibility could result in confusion over the responsibilities and roles of the centers within the Department of Health and Human Services.
- The current arrangement of health services is best for individuals receiving care. It is necessary to maintain the integrity of local health departments as each region has unique issues that are best handled at the local level. Furthermore, county health employees are better able to build relationships with local residents. This important function may be lost if the administration of services were to change.
- Support programs may be disrupted by the proposed consolidation because effective participation by program administrators in budget planning, personnel management, data systems design, and contract processing could be diminished.

Considerations

- More detail regarding how the reorganization will change the functions and focus of current health departments and agencies that are not mentioned in the report needs to be provided.
- Medical consultants need to have greater input into the planning and implementation of the reorganization of health departments and agencies.
- The logic behind placing the Veterinary's Technician Committee and the Veterinary Medical Board in the Department of Health and Human Services is not clear.

- The CPR does not strategically address issues related to rural health. More details and a more realistic timeline for implementation are needed in order to make substantive comments and suggestions.
- Rather than consolidating health and human services functions, it is recommended that changing the approach of the current system will result in better services. By improving coordination of shared information, the system will be more accessible to the public.
- The performance implications of outsourcing needs to be considered. Outsourcing carries a greater potential for services to decline, which could lead to poor performance.

ADDITIONAL INFORMATION

Please refer to “HHS O2: Realigning the Administration of Health and Human Services Programs” in Chapter 2 for additional information and public comment.

OFFICE OF THE SECRETARY

The Office of the Secretary will function as the principal communication link between the Governor and the constituent units of the department. The following functions will be a part of the Office of the Secretary to provide cross-cutting policy and strategic direction for the operation of programs: Office of Policy Analysis, Office of Health and Human Services Information, Chief Counsel, Office of Communications and Public Information, Office of Client Advocacy, Chief Fiscal Officer.

The following authority will be transferred from multiple agencies within state government to the Office of the Secretary:

- *Authority for the health professions licensing boards that are currently in the Department of Consumer Affairs should be transferred from the State and Consumer Services Agency.*
- *Authority for the oversight of the programs administered by the Office of Environmental Health Hazards Assessment should be transferred from the California Environmental Protection Agency.*
- *Authority for the California Medical Assistance Commission should be transferred from the separately established commission.*
- *Authority for the programs in the Department of Managed Health Care should be transferred from the Business, Transportation and Housing Agency.*

PUBLIC COMMENT

1 neutral comment was received for the recommendations in this section. No supporting or opposing comments were received.

Pros

- No testimony submitted.

Cons

- The consolidation of health and human services departments and agencies will give authority to a single position—the Secretary of Health and Human Services. This position will be subject to changes in administrations, leading to varying interpretations of the focus and responsibilities of the department.

Considerations

- The planning component within the Office of the Secretary needs to be clarified. In addition, there needs to be an explicit link between the planning and policy functions of the Office of the Secretary.

CENTER FOR HEALTH PURCHASING

The Center for Health Purchasing will maintain and improve the health care and insurance system support for Californians. By consolidating health delivery and health purchasing programs into one program, the state will maximize its resources and will allow for the exchange of best practices among health care and health insurance programs.

The following functions will be transferred into the Center for Health Purchasing:

- *The existing health delivery and insurance programs in the current Health and Human Services Agency including: Medi-Cal, California Children’s Services, Child Health and Disability Prevention, Genetically Handicapped Persons, County Medical Services, and In-Home Support Services Programs.*
- *The Managed Risk Medical Insurance Program, the Access for Infants and Mothers Program, and the Healthy Families Program will be transferred from the Managed Risk Medical Insurance Board.*

PUBLIC COMMENT

7 comments were received for the recommendations in this section. 3 comments expressed support. 4 comments expressed opposition.

Pros

- The recommendation to align California Children’s Services program with the Center for Health Purchasing will be beneficial to individuals requiring those services.

Cons

- The Child Health and Disability Prevention (CHDP) program should be part of the Center for Public Health because CHDP is a health related program based on primary prevention and health education principles.
- Maternal and child health programs are a core function of public health. As such, these programs should be located within the new Center for Public Health.
- The integration of the proposed functions into the Center for Health Purchasing may not result in improved service or delivery outcomes. Better accountability would be achieved through a separate Medical Assistance Commission. Moreover, consolidating functions under one authority may lead to a potential loss of innovation among employees and a structure that insulates decision-makers from the public.

Considerations

- Consideration should be made on placing a \$1 service fee for Medi-Cal visits. By placing a minimal fee on services and creating a cost-benefit structure for patients to consider, the percentage of patients who follow through on medical appointments may increase.

ADDITIONAL INFORMATION

Please refer to “HHS 02: Realigning the Administration of Health and Human Services Programs” in Chapter 2 for additional information and public comment.

CENTER FOR PUBLIC HEALTH

The Center for Public Health will provide leadership for the secretary of Health and Human Services and the people of California on current and emerging public health issues. The Center for Public Health will direct the state and local public health activities and organizations. The foundation of the Center for Public Health will include current public and environmental health programs from the Department of Health Services in the current Health and Human Services Agency.

The following functions and activities will be transferred to the Center for Public Health:

- *The functions of the Office of Environmental Health Hazards Assessment (OEHHA) within the California Environmental Protection Agency will be transferred.*
- *The planning and manpower activities of the Office of Statewide Health Planning will be transferred.*

PUBLIC COMMENT

20 comments were received for the recommendations in this section.
8 comments expressed support. 7 comments expressed opposition.
5 comments were neutral.

Pros

- The functions of the Office of Statewide Health Planning will be better utilized under the proposed organization since its information and data gathering functions provide support for public health services.
- The risk assessment functions of the OEHHA will be better served under the auspices of the Center for Public Health.
- The establishment of a Center for Public Health with a State Public Health Officer is a positive step.

Cons

- The OEHHA should not be moved to the Center for Public Health. The OEHHA focuses its efforts on the prevention of poor health as opposed to the health systems focus on the results of poor health.
- The OEHHA is not directly involved with health care. Its role is to review risk assessments sent to client agencies of the California Environmental Protection Agency and to unify concerns of individual agencies of a particular chemical's adverse health effects and to unify various approaches to health risk assessment.

Considerations

- Consider keeping the Radiation Health Branch in the new Center of Public Health. Consistent evaluation of program management by the center will hold the Radiation Health Branch accountable.
- The Center for Public Health should be expanded into an autonomous department with its own administrative support structure.
- The creation of a Physician's Health Officer with administrative responsibility for core public health programs would greatly enhance the Center for Public Health. The Physician's Health Officer should serve an advisory role on key health issues for the Department of Health Services and the Governor.
- The Women, Infant, and Children (WIC) program should be part of the Center for Public Health because this program is founded on primary prevention and health education principles to improve the nutritional status of low income women and their children.

ADDITIONAL INFORMATION

Please refer to “HHS 13: Create a State Public Health Officer to Strengthen Public Health in California” in Chapter 2 for additional information and public comment.

CENTER FOR QUALITY ASSURANCE

The Center for Quality Assurance will provide licensing oversight for businesses and consumers of health and human services. The Center for Quality Assurance will combine the licensing activities for health facilities, community care facilities, and health professions in addition to current licensing functions from all departments in the current Health and Human Services Agency into one organization.

The following functions will be transferred from multiple agencies within state government to the Center for Quality Assurance:

- The authority of the health professions licensing boards in the current Department of Consumer Affairs will be transferred from the State and Consumer Services Agency.*
- Authority for programs in the Department of Managed Health Care should be transferred to the Center for Quality Assurance from the Business, Transportation, and Housing Agency.*

PUBLIC COMMENT

7 comments were received for the recommendations in this section.
1 comment expressed support. 2 comments expressed opposition.
4 comments were neutral.

Pros

- The concept of streamlined licensing is a good one if the center serves solely as an administrative support service. Policy-making authority should be maintained by the department with program responsibility for services.

Cons

- The consolidation of functions under the Center for Quality Assurance will not improve the delivery of services with respect to licensing HMOs. The current Department of Managed Health Care is effective and efficient in performing this function.

Considerations

- Combining the licensing functions of the Department of Health Services and the Department of Social Services will require efforts

to ensure that staffing levels are adequate in order to handle the increased workload.

ADDITIONAL INFORMATION

Please refer to “HHS 21: Consolidate Licensing and Certification Functions” in Chapter 2 for additional information and public comment.

CENTER FOR BEHAVIORAL HEALTH

The Center for Behavioral Health will oversee the network of mental health and alcohol and drug treatment services provided by the state. The central goal will be to oversee the application of state and federal laws in both county-operated and state-operated facilities. The Center for Behavioral Health will incorporate the treatment programs for mental illness and alcohol and drug dependency into one entity for consistency of administration and interface with county governments. In addition, the expertise for the management of the state's mental health hospitals will be incorporated in this Center.

The following functions will be transferred from multiple agencies within state government to the Center for Behavioral Health:

- *Programs from the Department of Mental Health and the Department of Alcohol and Drug Abuse will be transferred. This will include the Community Mental Health and Alcohol and Drug Programs and the State Hospitals for the Mentally Ill.*

PUBLIC COMMENT

15 comments were received for the recommendations in this section. 3 comments expressed support. 10 comments expressed opposition. 2 comments were neutral.

Pros

- The recommendation to shift funding from the City of Berkeley and the Tri-City Mental Health Center to Alameda and Los Angeles County, respectively, is a move in the right direction.
- The proposal to merge the Department of Alcohol and Drug Programs with the Department of Mental Health has merit. Further details are necessary to assess overall benefits of the consolidation.

Cons

- Substance abuse agencies need to retain their autonomy and remain highly visible to the community in order to bring attention to treatment and recovery and to advocate for greater resources for substance abuse treatment.

- The consolidation of the Department of Alcohol and Drug Programs with the Department of Mental Health could impede certain individuals from qualifying for funding and treatment. The current system is already very competitive with a 3–6 month waiting period for a bed in a treatment center.
- The separation of the state’s substance abuse and mental health programs is critical. The division allows each program to provide independent leadership to the state and the public, which is important because alcohol and other drug programs provide distinctly different care from that of mental health programs.
- Alcohol and drug programs receive a high proportion of funding from federal block grants and may be subject to federal accountability standards not considered in this proposal.

Considerations

- There is concern regarding the status and future of the Board of Behavioral Sciences.
- Possible cost savings could be realized if support was given to community recovery resources, such as 12-Step recovery programs, and independent sober living homes.

ADDITIONAL INFORMATION

Please refer to “HHS 15: Consolidate the State’s Mental Health and Alcohol and Drug Programs to Better Serve Californians” in Chapter 2 for additional information and public comment.

CENTER FOR SERVICES TO THE DISABLED

The Center for Services to the Disabled will serve as the focal point for California’s special needs population. The Center for Services to the Disabled will consolidate all services for individuals with developmental and physical disabilities into one organization.

The following functions will be transferred from multiple agencies within state government to the Center for Services to the Disabled:

- *Services from the Departments of Developmental Services and Rehabilitation will be transferred to the Center for Services to the Disabled. Specific programs in this area will include Regional Centers for the Developmentally Disabled, the Developmental Centers, the Work Activity Program, Independent Living Centers (ILCs), and Services to the Blind and Deaf.*

PUBLIC COMMENT

7 comments were received for the recommendations in this section.
No comments expressed support. 6 comments expressed opposition.
1 comment was neutral.

Pros

- No testimony submitted.

Cons

- The current Department of Developmental Services has enough responsibility. The proposal to combine the functions and responsibilities of several departments and programs within the Center for Services to the Disabled could dilute the focus of the Department of Developmental Services.
- The Independent Living Council is required to remain an independent agency due to the Rehabilitation Act as amended in 1992. The penalty for noncompliance with this statute could be the potential loss of federal funding for ILCs in California.

Considerations

- It is unclear whether moving responsibilities of ILCs to the Center for Services to the Disabled will interfere with ILC's capacity to maintain the current level of service. More detail regarding this proposed reorganization is necessary.
- It is important to retain staffing within the Department of Rehabilitation. Recent loss of funding and the resulting staff cuts have created problems within the department.

CENTER FOR SOCIAL SERVICES

The Center for Social Services will consolidate the state's income support programs including child support, community development programs, and social services programs for children, families, and aging individuals. The Center for Social Services will also be responsible for the entire spectrum of support services for children and California's aging population. In addition, the center will also be responsible for planning the continuum of care for both of these population groups.

The following functions will be transferred from multiple agencies within state government to the Center for Social Services:

- *The central programs of the Departments of Social Services, Aging, Community Services and Child Support Services will be transferred to the Center for Social*

Services. Specific programs in this area will include CalWORKs, Child Welfare Services, Child Support, Food Stamps, Supplemental Security Income, Services to the Aging, and low-income energy grants.

PUBLIC COMMENT

13 comments were received for the recommendations in this section. No comments expressed support. 11 comments expressed opposition. 2 comments were neutral.

Pros

- No testimony submitted.

Cons

- Services for the aging community need to remain independent and highly visible. Aligning aging community services within the larger Center for Social Services will decrease accessibility and dilute advocacy for the elderly.
- The Supplemental Food Program for women and children should not be aligned with the Center for Social Services. This program has essential public health functions and should be closely aligned with the new Center for Public Health.
- The alignment of the Department of Community Services and Development into the Center for Social Services will dilute the mission of the department. The Department of Community Services and Development should remain in close coordination with policy makers in order to continue its efforts on creating effective antipoverty policies.
- The proposal to privatize Child Support Services does not address specific problems within that department. More research is needed to accurately identify the cause of sub-optimal service by Child Support Services.
- Program objectives may lose priority with the consolidation. For example, support for services for the elderly and services for children may be in competition for the same resources.

Considerations

- It is recommended that analysis of alternative restructuring proposals such as the Little Hoover Commission report, "Real Lives, Real Reform," Harvard Generations Policy Journal, "Age Explosion: Baby

Boomers and Beyond,” will provide better insight into effective services for the aging community.

- Rather than rolling services for the elderly into the more general Center for Social Services, it is recommended that a Center for Aging, Disability, and Long Term Care is created to serve as the point of public input and instrument for public outreach.
- It is not clear in the recommendation as to what will happen to employees who work in child support services. Further explanation of job status for transferred departments and agencies should be provided.
- The Franchise Tax Board’s role as the project agent acting on behalf of the Department of Child Support Services may be at risk in this proposal. It is recommended that the changes in the organizational structure of the Department of Child Support Services be deferred until the California Child Support Automated System has been successfully implemented and meets federal certification requirements.
- An alternative to the proposed recommendation would be to model the Department of Community Services after the First Five Commission.

CENTER FOR FINANCE AND SUPPORTIVE SERVICES

The Center for Finance and Supportive Services will consolidate the financial, technology, human resources, and other support services for the centers in the Department of Health and Human Services and will provide technical support for county service providers.

The following functions will be transferred to the Center for Finance and Supportive Services:

- *All administrative and technical support services that are within the entities that comprise the current Health and Human Services Agency.*

PUBLIC COMMENT

1 comment was received in opposition to the recommendations in this section. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Consolidation of administrative support functions may disrupt health programs by depriving program administrators of effective

participation in budget presentation, personnel management, data systems design, and contract processing.

Considerations

- No testimony submitted.

THE DEPARTMENT OF EDUCATION AND WORKFORCE PREPARATION

ISSUE

The demographic, fiscal, and political realities of the last two decades have taken their toll on California's public schools and higher education system. In turn, the decline in California's education system has negatively impacted the state's ability to provide a skilled, trained, and educated workforce to employers in this state. In its comprehensive review of California's education system and workforce preparation programs, CPR found two core issues contributing to the current problems with the state's education system.

- *California's education system lacks coordination.*
- *Education policies are not aligned with workforce preparation programs and the needs of employers.*

ORGANIZATIONAL IMPROVEMENTS

To solve these problems, CPR proposed that many of California's various education boards, commissions, and agencies be consolidated into one integrated Department of Education and Workforce Preparation. The integrated department will be comprised of the following six entities: the State Board of Education, the Office of the Secretary, the Division of Higher Education Policy and Programs, the Division of Teacher and Program Accountability, the Division of Workforce Preparation, and the California State Library. The department will work to:

- *Develop, implement, and disseminate consistent policy for Pre-K to 20 education.*
 - *Ensure that California's education system is coordinated with the growing needs of the labor market for skilled, educated workers.*
 - *Ensure the effectiveness and accountability of California's educational programs and their providers.*
 - *Establish coherent fiscal policy and performance-based budgeting strategies tied to education policy and desired educational outcomes.*
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PUBLIC COMMENT

15 comments were received for the recommendations in this section.
2 comments expressed support. 5 comments expressed opposition.
8 comments were neutral.

Pros

- The concept of locating education and workforce preparation in the Department of Education and Economic Development will establish a necessary link between education and economic development.
- Consolidation will create efficiency and cost savings as no economies of scale are leveraged.

Cons

- Some of the information provided to the reviewers and used to inform the reorganization for the Department of Education and Workforce Preparation may not have been accurate.
- The proposed reorganization of the Department of Education and Workforce Preparation consolidates too much power in the executive branch. Local elected officials should have a greater role in providing input on education policy.
- This proposal concentrates too much on the needs of business interests. Public education should work to provide students with a well-rounded education. It should not simply be utilized to prepare California's workforce.

Considerations

- Providing distance learning opportunities for disenfranchised students and students with learning disabilities should be included in the new Department of Education and Workforce Preparation.

ADDITIONAL INFORMATION

Please refer to "ETV 02: Create an Education and Workforce Council" and "ETV 03: Consolidate Selected State Higher Education Agencies" in Chapter 4 for additional information and public comment.

OFFICE OF THE SECRETARY

The Office of the Secretary will serve as the principal communication link between the Governor and the constituent units of the Department. More specifically, the specific functions of the Office of the Secretary are personnel management, intergovernmental liaison, strategic planning, communications and budget review.

To assist the secretary in these responsibilities, the Governor will establish, by executive order, an Education and Workforce Council chaired by the Secretary for Education and Workforce Preparation. This council will include the Secretary of Labor and Economic Development, the Superintendent of Public Instruction, the President of the University of California system, the Chancellor of the California State University system and the Chancellor of the California Community College system. The Council will assist in aligning California's education systems with the state's economic and workforce needs.

All of the existing authority and duties of the boards, commissions, and departments consolidated into this Department should be transferred to the Secretary for Education and Workforce Preparation.

PUBLIC COMMENT

7 comments were received for the recommendations in this section.
3 comments expressed support. 4 comments expressed opposition.

Pros

- The creation of an Education and Workforce Council will address the lack of coordination in workforce preparation.

Cons

- The Education and Workforce Council should not be created. It will essentially duplicate work done by the California Workforce Investment Board and the California community college system. More importantly, this work will be completed without oversight and leadership from the private sector.

Considerations

- Activities related to the Governor's Workforce Investment Act could be excluded from the functions of the Education and Workforce Council.

ADDITIONAL INFORMATION

Please refer to "ETV 01: Restructure the Role of the Secretary for Education" and "ETV 02: Create an Education and Workforce Council" in Chapter 4 for additional information and public comment.

DIVISION OF HIGHER EDUCATION POLICY PROGRAMS

The Division of Higher Education Policy and Programs will coordinate resources, policies, programs, and services across all systems of public higher education in California. The division will be comprised of four distinct units that will work collaboratively to improve policies and services for California's students, businesses, and the general public.

Authority will be transferred from these agencies to Higher Education Policy Programs:

- *The California Community College Chancellor's Office, the California Postsecondary Education Commission, the California Student Aid Commission, the State Board of Guide Dogs for the Blind, and the Bureau for Private Postsecondary and Vocational Education. Responsibility for the approval of educational programs for veterans will be transferred to the Department of Veteran's Affairs.*

PUBLIC COMMENT

9 comments were received in opposition to the recommendations in this section. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- It is not clear how California community colleges will remain linked with other institutions of higher education if community colleges are merged with the Division of Higher Education Policy Programs. The link between community colleges and other institutions of higher education must remain intact and a link between community college and K–12 education must be considered.
- The California Community College Chancellor's Office is a key element in the delivery of higher education to Californians. This office has unique responsibilities and shares very little overlap with other education agencies and departments. If consolidation with other agencies occurs, the effectiveness and accountability of the Chancellor's Office will be diminished.
- The California Postsecondary Education Commission is an independent entity that provides unbiased and non-partisan research and information. It provides a forum where members of the higher education community can provide direct input on matters of higher education policy, planning, and coordination.
- The reorganization of community colleges will not allow the public adequate access and oversight of higher education policy making.
- By consolidating the functions of the California Community College Chancellor's Office with the Division of Higher Education Policy Programs, the independence and autonomous nature of the community college system may be lost.

Considerations

- It is not clear why the functions of the Community College Board of Governors have been transferred to the Division of Higher Education Policy Programs, while the University of California Regents and the Trustees of the State University remain intact.

ADDITIONAL INFORMATION

Please refer to “ETV 03: Consolidate Selected State Higher Education Agencies” in Chapter 4 for additional information and public comment.

DIVISION OF WORKFORCE PREPARATION

The primary functions of the Division of Workforce Preparation will be to consult with leaders in education, business, and industry to coordinate education and workforce preparation programs. This will ensure that business and industry participate in the development of skills standards specifying what employees must know and be able to do within major industries and occupations. These standards will drive and direct efforts to coordinate education programs with the needs of employers. The Division of Workforce Preparation will also staff the Education and Workforce Council, serve as the designated state entity to receive federal funding to provide career guidance throughout California, and provide career development resources to students, parents, teachers, administrators, counselors, and others.

The following functions will be transferred to the Division of Workforce Preparation:

- *The functions of the California Occupational Information Coordinating Committee (renamed the California Career Resource Network in January 2004) will be transferred.*

PUBLIC COMMENT

1 comment was received in opposition to the recommendations in this section. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The administration of education policies should not be combined with workforce preparation policies.
- By combining the leadership for education and economic development policy-making, this recommendation seems to elevate business interests over education interests.

- Businesses, not government, should be responsible for preparing a skilled and efficient workforce.

Considerations

- No testimony submitted.

Department of Labor and Economic Development

"We believe that placing workforce development and economic development programs in the same department reflects the right mental model. It sends the right message to the public, the employees of the department and to the business community."

Virginia Hamilton
Executive Director
California Workforce Association
Written Testimony

THE DEPARTMENT OF LABOR AND ECONOMIC DEVELOPMENT

ISSUE

Good jobs enable Californians to achieve their potential and contribute to the economic performance of the state. To accomplish this goal, the government needs to provide a framework to enable businesses to grow and prepare workers with the necessary skills to compete in the 21st century. In its comprehensive review of labor and economic development in California, CPR found three core issues contributing to the current problems with California's education system.

- *Economic development programs are not coordinated.*
- *Training programs are not coordinated.*
- *Multiple entities are responsible for resolving workplace disputes.*

ORGANIZATIONAL IMPROVEMENTS

To address these problems, the state's economic strategy and workforce development programs will be integrated into a Department of Labor and Economic Development. The integrated department will be comprised of the following six entities: Office of the Secretary, Economic Development Division, Workforce Development Division, Workplace Protection Division, Benefits Division, and the Office of Appeals. The Department of Labor and Economic Development will work to:

- *Protect the safety of workers.*
- *Serve as the primary point of accountability for economic and workforce development.*
- *Create a stronger connection between economic forecasting and worker preparation.*
- *Eliminate duplication and expense.*

PUBLIC COMMENT

9 comments were received for the recommendations in this section. 1 comment expressed support. 3 comments expressed opposition. 5 comments were neutral.

Pros

- Specific discussion in support of these recommendations was not received.

Cons

- The proposed framework seems to promote business interests before the interests of workers and the protection of workers.
- The consolidation of power under one authority limits the system of checks and balances.

Considerations

- The proposal to combine several entities into the new Department of Labor and Economic Development is a practical one. However, much of the current system is inefficient due to a lack of comprehensive clerical support. As such, any reorganization proposal should discuss how the lack of clerical support will be addressed.
- The proposal, as written, lacks sufficient detail to comment on.
- The Department of Labor and Economic Development should be seen as a support system for the divisions within the department rather than a governing body. By functioning in this way, the Department of Labor and Economic Development can provide support for various services that will benefit the entire department.

OFFICE OF THE SECRETARY

Cross-cutting and coordinating responsibilities will rest with the Office of the Secretary. Specific functions of the Office of the Secretary will include the following administrative functions: fiscal and budget operations, personnel management, intergovernmental liaison, information technology, strategic planning, public affairs, and communications.

The following responsibilities and functions will be transferred to the Office of the Secretary:

- *Authority for the oversight of the Employment Development Department (except tax collection) and the Department of Industrial Relations will be transferred from the Labor and Workforce Development Agency.*
- *Authority for the oversight of the Department of Fair Employment and Housing will be transferred from the State and Consumer Services Agency.*
- *Authority for the Vocational Rehabilitation Program in the Department of Rehabilitation will be transferred from the Health and Human Services Agency.*
- *Authority over labor and economic development boards and commissions such as the California Unemployment Insurance Appeals Board, Workers' Compensation Appeals Board, Industrial Welfare Commission, Commission on Health Safety and Workers Compensation, California Workforce Investment Board, Employment*

Training Panel, Career Technology Commission, Occupational Safety and Health Appeals Board, and Fair Employment and Housing Commission will be transferred to the Department of Labor and Economic Development.

- *A reporting relationship will be established between the Division and the Public Employment Relations Board and the Agricultural Labor Relations Board.*

PUBLIC COMMENT

1 comment was received and expressed opposition to the recommendations in this section. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- By transferring the functions of the Public Employment Relations Board to the Office of the Secretary, the autonomy and authority of the board may be diminished.

Considerations

- No testimony submitted.

ECONOMIC DEVELOPMENT DIVISION

The Economic Development Division will coordinate and oversee economic development programs and implement the state's economic strategy that considers state, regional, and local needs and includes short-term and long-term economic policy goals with measurable outcomes. The goals of the Economic Development Division will be to increase per capita income, job growth, business creation, private sector investment, and small business entrepreneurship.

The following responsibilities and functions will be transferred to the Economic Development Division:

- *The Labor Market Information Division in the Employment Development Department and the Division of Labor Standards Research in the Department of Industrial Relations will merge to become the Labor Market Research Office in the Economic Development Division.*
- *The functions of the Economic Strategy Panel will be transferred for the purpose of developing economic strategy for the state.*
- *The functions of the CalBIS unit in the Employment Development Department, as well as the small business programs of the Office of Planning and Research, will be transferred.*

- *A reporting relationship with the Film Commission and the Travel and Tourism Commission will be formed in order to coordinate economic development efforts.*

PUBLIC COMMENT

6 comments were received for the recommendations in this section.
3 comments expressed support. 2 comments expressed opposition.
1 comment was neutral.

Pros

- Specific discussion in support of these recommendations was not received.

Cons

- No testimony submitted.

Considerations

- The Economic Strategy Panel should be a key element in the Employment Development Division. The panel can provide useful private sector input into developing strategies for funding decisions and program designs. The Economic Strategy Panel can also be useful for providing guidance on understanding California's regional economies and providing needed information on good local labor markets.

WORKFORCE DEVELOPMENT DIVISION

The goal of the Workforce Development Division is to create a customer-focused and accountable workforce development system accessible to all Californians to ensure that workers have the skills necessary to compete in the global economy. The Workforce Development Division will coordinate Workforce Investment Act One-Stops, employment training programs currently administered by the Employment Training Panel, apprenticeship programs, and targeted training programs.

The following programs will be transferred from the current Employment Development Department to the Workforce Development Division of the Department:

- *Employment and Employment Related Services Program, Welfare-to-Work Grant Program, and Employment Training Panel Program.*
- *The Vocational Rehabilitation Program from the Department of Rehabilitation.*
- *The Apprenticeship Standards Division of the Department of Industrial Relations and the functions of the California Apprenticeship Council.*
- *Workforce Investment Act programs from all entities within the Labor and Workforce Development Agency.*

PUBLIC COMMENT

8 comments were received for the recommendations in this section.
3 comments expressed support. 4 comments expressed opposition.
1 comment was neutral.

Pros

- The Senior Worker Advocate Office is a positive addition to the Workforce Development Division.
- Transferring the functions of the Vocational Rehabilitation program from the Department of Rehabilitation to the Department of Labor and Economic Development will help to reinforce the original intent of this program, which is to prepare individuals for self-sufficiency through employment. The current system has resulted in many individuals becoming dependent upon the program, which has led to excessive expenditures with limited positive outcomes.
- The consolidation of workforce development programs by eliminating workforce investment boards will satisfy the need to have Vocational Rehabilitation staff in all the One-Stop centers. Collaboration with a larger division will also help shoulder the costs of the One-Stop center facilities.

Cons

- It is not clear why the Vocational Rehabilitation program is proposed for transfer to the Workforce Development Division. The strengths of the program were not presented in the recommendation. It would be useful to consider the direct relationship between these types of programs and higher job placement rates seen in other states.
- The proposal, as written, fundamentally changes the mission of the Labor and Workforce Development Agency. The functions of the agency are currently to enforce the law and to protect both workers and employers who are obeying the law.

Considerations

- The California Workforce Investment Board should be a key element in the Workforce Development Division. The board can provide useful private sector input into developing strategies for funding decisions and program designs. In collaboration with local Workforce Investment Boards, the California Workforce Investment Board can develop a clear strategy for workforce development and a policy framework to encourage state and local efforts.

ADDITIONAL INFORMATION

Please refer to “Boards and Commissions” in this chapter for additional information and public comment on the Employment Training Panel.

WORKPLACE PROTECTION DIVISION

The goal of the Workplace Protection Division will be to provide workplace protection for employees and employers. The Division will protect against discrimination, underground business competition, unfair wage and working conditions, and unsafe practices. There will also be an emphasis on efforts to address occupational safety and health issues or labor related concerns in businesses to avoid costly closures or reductions in force.

The following functions will be transferred to the Workplace Protection Division:

- *All parts of the Department of Industrial Relations, with the exception of the Division of Apprenticeship Standards and the Division of Labor Statistics and Research.*
- *The functions of the Department of Fair Employment and Housing, the Industrial Welfare Commission, and the Underground Economy Section of the Employment Development Department's tax branch.*

PUBLIC COMMENT

2 comments in opposition to the recommendations in this section were received. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The functions of the Underground Economy Operations (UEO) should remain with the Employment Development Department's tax branch. The UEO works in coordination with the Tax Audit Program to identify tax violators operating in the underground economy and to enforce compliance with tax, labor, and licensing laws. Consequently, shifting the responsibilities of the UEO to the Workplace Protection Division may negatively impact the effectiveness of the tax audit program.
- UEO and the Tax Audit programs work together to protect the fiscal integrity of Unemployment Insurance and Disability funds.
- The resources provided by the UEO used in identifying businesses operating in the underground economy may be diluted if the functions of the UEO are transferred to the Workplace Protection Division. This transfer of functions could potentially lead to further fragmentation and create new coordination problems between departments.

Considerations

- No testimony submitted.

ADDITIONAL INFORMATION

Please refer to “Boards and Commissions” in this chapter for additional information and public comment on the Industrial Welfare Commission.

BENEFITS DIVISION

The Benefits Division will provide safety-net income support to workers who become unemployed, disabled, or need to leave their jobs temporarily to attend to family members. This Division will determine eligibility and make benefit payments. In addition, payment of unemployment insurance, state disability insurance, Paid Family Leave benefits, and workers’ compensation will be linked to the Benefits Division.

The following function will be transferred to the Benefits Division:

- *The benefit payment functions of the Unemployment and Disability Insurance and the Paid Family Leave Programs.*
- *The State Compensation Insurance Fund (SCIF) and the Benefits Division will establish a cooperative relationship for the purpose of coordinating workers’ compensation policy, procedures, and payments.*

PUBLIC COMMENT

1 comment was received in opposition to the recommendations included in this section. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- No testimony submitted.

Considerations

- The State Compensation Insurance Fund should be eliminated.

OFFICE OF APPEALS

The Office of Appeals will provide appellate review of worker-related issues and claims. The Office of Appeals will review decisions made in the program divisions that are related to occupational safety and health issues, workers’ compensation, unemployment and disability insurance (except tax disputes), employee relations issues, and discrimination in housing and employment.

The following functions will be transferred to the Office of Appeals:

- *The current functions of the following boards and commissions will be transferred to the Office of Appeals: the Occupational Safety and Health Appeals Board, the Workers' Compensation Appeals Board, the California Unemployment Insurance Appeals Board, and the Fair Employment and Housing Commission.*

PUBLIC COMMENT

7 comments were received for the recommendations in this section. No comments expressed support. 6 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- In the proposed framework, the Secretary would serve as the final adjudicator of appeals from workers, who have been injured, laid off, work in unsafe workplaces, or discriminated against. This process would undermine the ability of workers and employers to appeal decisions to an independent body.
- It does not seem feasible for the Secretary to serve as the final adjudicator of appeals in addition to performing his/her other responsibilities.

Considerations

- The consolidation of four different appeals agencies into one office is not beneficial to individuals requiring this service. These agencies administer very different statutes and regulations. Moreover, the agencies' hearings process and the mandated timelines are different.

ADDITIONAL INFORMATION

Please refer to "Boards and Commissions" in this chapter for additional information and public comment on the Occupational Safety and Health Appeals Board, the Workers' Compensation Appeals Board, the California Unemployment Insurance Appeals Board, and the Fair Employment and Housing Commission.

THE DEPARTMENT OF PUBLIC SAFETY AND HOMELAND SECURITY

ISSUE

Government's first and most important job is to protect its citizens from crime, terrorism, fires, and other natural disasters. The coordination of Public Safety and Homeland Security is necessary to achieve this goal. In its comprehensive review of California's public safety and homeland security systems, CPR found four main problems with the state's public safety efforts.

- *The command structure for emergency response is not unified.*
- *California has multiple law enforcement entities with duplicative training programs.*
- *The process for purchasing equipment and resources is not coordinated.*
- *The provision of victims' services lacks coordination.*

ORGANIZATIONAL IMPROVEMENTS

- *To protect the safety of Californians, California's state public safety entities need to be consolidated into one integrated Department of Public Safety and Homeland Security. This department will be comprised of four divisions and one office that report to the Department Secretary, as follows: California Highway Patrol, Division of Law Enforcement, Division of Fire and Emergency Management, Division of Victim Services, and the Office of Internal Affairs.*
-

PUBLIC COMMENT

30 comments were received for the recommendations in this section.
10 comments expressed support. 13 comments expressed opposition.
7 comments were neutral.

Pros

- By consolidating public safety and homeland security efforts into one department, the special interests and agendas currently pursued by various agencies will shift to a pursuit toward common goals to protect the state.
- The idea of a unified Department of Public Safety and Homeland Security will benefit the state financially. Streamlining purchasing and training will save a significant amount of money.
- The Department of Public Safety and Homeland Security will assist coordination efforts of the state's public safety entities. By creating a central agency, the current lack of analytical support in law enforcement will be addressed.

Cons

- No testimony submitted.

Considerations

- More detail on how the transition will take place is necessary. It is unclear from the proposal, as written, how the training, communication, and coordination of various entities will be carried out.

ADDITIONAL INFORMATION

Please refer to “PS 01: Creating a Department of Public Safety and Homeland Security” in Chapter 5 for additional information and public comment.

CALIFORNIA HIGHWAY PATROL

To minimize disruption of existing responsibilities, the California Highway Patrol should be transferred to the new department intact. All existing functions and responsibilities of the California Highway Patrol will be included within this division. In addition to its existing roles and responsibilities, the California Highway Patrol will also be responsible for the personnel management, training, and administrative functions of the Department of Public Safety and Homeland Security.

The following functions will be transferred to the California Highway Patrol:

- *Existing functions and statutory authorities for the California Highway Patrol will be transferred from the Business, Transportation, and Housing Agency.*

PUBLIC COMMENT

1 neutral comment was received for the recommendations in this section. No supporting or opposing comments were received.

Pros

- No testimony submitted.

Cons

- No testimony submitted.

Considerations

- Consideration should be given to merging the Office of Traffic Safety into the California Highway Patrol.
- It is not clear from the proposal why the California Highway Patrol is not included in the Division of Law Enforcement.

DIVISION OF LAW ENFORCEMENT

The Division of Law Enforcement should consolidate law enforcement services currently performed by peace officers from eight different state organizations. The goal of the Division of Law Enforcement is to provide law enforcement and investigative services in a consolidated and efficient manner.

The specified functions of the following entities should be transferred to the Division of Law Enforcement:

- *Department of Alcoholic Beverage Control: The entire department and its functions will be transferred from the Business, Transportation, and Housing Agency.*
- *Department of Consumer Affairs: The enforcement functions associated with the Department of Consumer Affairs' California Medical Board, the Dental Board of California, the Contractors' State License Board, and the Division of Investigations will be transferred from the State and Consumer Services Agency.*
- *Department of Developmental Services: Peace officer and enforcement functions of the Department of Developmental Services will be transferred from the Department and the Health and Human Services Agency.*
- *Department of Fish and Game: Peace officer and enforcement functions of the Department of Fish and Game will be transferred from the Department and the Resources Agency.*
- *Department of Motor Vehicles: Peace officer, enforcement, and investigative functions of the Department of Motor Vehicles will be transferred from the Department and the Business, Transportation, and Housing Agency.*
- *Department of Parks and Recreation: Peace officer and law enforcement functions from the Department of Parks and Recreation will be transferred from the Department and the Resources Agency.*
- *State Fair Police: Peace officer and law enforcement functions of the California Exposition Board will be transferred from the Department of Food and Agriculture to the Department of Public Safety and Homeland Security.*
- *Department of Toxic Substances Control: Peace officer and enforcement functions of the Department of Toxic Substances Control will be transferred from the Department and Environmental Protection Agency.*

PUBLIC COMMENT

74 comments were received for the recommendations in this section. 16 comments expressed support. 36 comments expressed opposition. 22 comments were neutral.

Pros

- All enforcement officers should work together to provide quality law enforcement protection for the public and to eliminate duplicative services. Merging law enforcement officers into the Division of Law

Enforcement will allow for quicker mobilization, consistent training practices, and will reduce travel time for investigators in area offices.

- The Department of Fish and Game Wardens will be better utilized in the proposed organization.
- A unified law enforcement branch will positively contribute to the state's public safety and will cut costs for tax payers.

Cons

- The Department of Fish and Game and the Department of Parks and Recreation provide a very specialized and needed service that would be difficult to provide in the Division of Law Enforcement. The protection and management of resources functions provided by these agencies should be derived from the same department.
- The functions of the Department of Parks and Recreation should not be split between two agencies. This will diminish the effectiveness of the department's ability to achieve its primary mission.
- The potential impact of transferring the functions of park rangers could be devastating. Park rangers serve many critical and specific functions beyond law enforcement. These functions include protecting and interpreting park resources, performing community outreach, and enforcing laws specific to the protection of parks. It is not clear from the proposal that these functions would be served under the new framework.
- The Department of Toxic Substance Control criminal investigators should not be moved to the Department of Public Safety and Homeland Security.
- Fish and Game Wardens should not be placed within the Department of Public Safety and Homeland Security. Wardens have responsibilities that go beyond peace officer duties. For example, they are responsible for the enforcement of Fish and Game Code and the orders, rules, and regulations of the Fish and Game Commission.

Considerations

- The timeline for implementing the consolidation of the transferred functions into the Division of Law Enforcement is unclear.
- The law enforcement division of the Department of Justice should be considered as an additional agency within the Division of Law Enforcement. The Department of Justice has several investigative bodies that may be more effective if they were transferred to the new Division of Law Enforcement.

- By widening the scope of this proposal and including all police departments that work for the people of California, such as the law enforcement branch of the Department of Mental Health, into the Division of Law Enforcement would be more effective in streamlining resources and funds by eliminating any duplication of services.
- More information regarding the status and future role of lifeguard/peace officers needs to be provided.
- It may be prudent to consider incorporating State Park Peace Officers into the Division of Law Enforcement, while retaining the current responsibilities of those peace officers.

ADDITIONAL INFORMATION

Please refer to “PS 02: Consolidate Law Enforcement Functions to Ensure Public Safety and Homeland Security” in Chapter 5 for additional information and public comment. Please refer to “Boards and Commissions” in this chapter for specific information on various Consumer Affairs boards.

DIVISION OF FIRE AND EMERGENCY MANAGEMENT

The goal of the Division of Fire and Emergency Management is to provide statewide fire and emergency management services in a consolidated, coordinated, and efficient manner.

The Division of Fire and Emergency Management will have responsibility for statewide fire and emergency management services, including homeland security functions, and federal grant management.

The functions of the following entities will be transferred to the Division of Fire and Emergency Management from their current agencies:

- *Governor’s Office of Emergency Services (OES): The related functions of OES will be transferred.*
- *California Department of Forestry and Fire Protection (CDF): The related functions of CDF will be transferred from the Resources Agency.*
- *Office of Homeland Security: The functions of the Office of Homeland Security will be transferred.*
- *Emergency Medical Services Authority (EMSA): The functions of EMSA will be transferred from the Health and Human Services Agency.*
- *Department of Social Services Disaster Section (DSSDS): The functions of DSSDS will be transferred from the Department of Social Services in the Health and Human Services Agency.*
- *Department of Water Resources, Division of Flood Management, and the Division of Safety of Dams: The functions of the Divisions of Flood Management and Safety of Dams will be transferred from the Department of Water Resources in the Resources Agency.*

- *California Office of Traffic Safety (OTS): The functions of OTS will be transferred from the Business, Transportation, and Housing Agency.*

PUBLIC COMMENT

37 comments were received for the recommendations in this section.
8 comments expressed support. 24 comments expressed opposition.
5 comments were neutral.

Pros

- The creation of a Division of Fire and Emergency Services is a positive first step. Management for the Division of Fire and Emergency Services should come from the CDF. The CDF is the second largest all-risk fire and rescue department in the nation and is well qualified to provide leadership for the new division.
- By locating the Emergency Medical Services Authority in the Division of Fire and Emergency Services, a more effective and coordinated system will be in place. It addresses the need to streamline communications, reduce redundancy, improve service delivery, and assist in increasing state and federal funding for emergency programs.

Cons

- The Emergency Medical Services Agency should work in concert with, not directly for, the Department of Public Safety and Homeland Security. There needs to be a strong physician-led structure in place to support civilians during an emergency. The responsibility and authority of medical evacuation and care of patients need to be in the hands of medical staff that have the expertise and experience to provide effective and efficient leadership in times of crisis. As such, the Emergency Medical Services Agency should remain an independent agency under the Department of Health Services.
- The proposal to consolidate these agencies does not suggest a drive toward effective interagency cooperation. Rather, it appears that the reorganization is driving toward greater power and control for those at the top.
- The division of functions of CDF between two departments will reduce its effectiveness to manage fire and fuels throughout the year. Resource management minimizes the potential for fires and has a strong link with fire protection. Breaking this link would result in less valuable coordination of function and expertise.

- The California Department of Forestry should not be split between the Department of Public Safety and Homeland Security and the Department of Natural Resources.

Considerations

- It is not clear from the proposal how the Office of the State Fire Marshall will be accessed by the public to provide input and receive information on adopting and submitting building standards relating to fire and panic safety.
- It is recommended that only the terrorist operational disaster functions of the Emergency Medical Services Agency are moved to the Department of Public Safety and Homeland Security in order to provide a cross-agency link.
- The creation of an independent Department of Emergency Medical Services should be considered. By making the Emergency Medical Services Agency subordinate to fire services, it increases the probability that viability, service value, and mission of emergency medical services will be diminished. In order to provide the best services to the public, a system of checks and balances between public safety and homeland security, fire services, and emergency medical services needs to be maintained.

ADDITIONAL INFORMATION

Please refer to “PS 03: Create a Division of Fire Protection and Emergency Management” in Chapter 5 for additional information and public comment.

DIVISION OF VICTIM SERVICES

The Division of Victim Services will consolidate victim services funding, victim service delivery, and compensation for survivors of violent crimes.

The following functions will be transferred to the Division of Victim Services:

- *The functions of the Victim Services Branch within the Office of Emergency Services will be transferred.*
- *The victim compensation functions of Victim Compensation and Government Claims Board within the State and Consumer Services Agency will be transferred.*
- *The functions of the Battered Women’s Shelter Program within the Department of Health Services and the Health and Human Services Agency will be transferred.*

PUBLIC COMMENT

4 comments were received for the recommendations in this section.
3 comments expressed support. No comments expressed opposition.
1 comment was neutral.

Pros

- Funding shortages and lack of a cohesive plan have led to limited collaboration between victim service groups. This recommendation is the best model for achieving comprehensive and coordinated policies, collaboration between victim service groups, efficient grant management, and consistent leadership.

Cons

- No testimony submitted.

Considerations

- It is recommended that efforts be made to ensure continuity of services during the consolidation process.
- Retaining the functions of the State Sexual Assault Advisory Committee and creating a parallel Domestic Violence State Advisory Committee should be considered.
- It is recommended that the Division of Victim Services also include promotion of partnerships among providers of victim services to support victims and their communities without sacrificing the safety and needs of victims of crimes.
- Detailed planning and sufficient transition time is necessary to ensure a structure is in place to absorb the management of all victim services agencies funds.
- It is recommended that the rules and regulations that govern various service providers that direct funding sources are adhered to.

ADDITIONAL INFORMATION

Please refer to “PS 04: Consolidate Victim Services” in Chapter 5 for additional information and public comment.

THE DEPARTMENT OF ENVIRONMENTAL PROTECTION

ISSUE

The California Environmental Protection Agency (Cal-EPA) was created in 1991 to reorganize California's environmental programs. While the goal of the reorganization was to create an integrated environmental protection program, Cal-EPA unfortunately continues to operate as a collection of boards and commissions without a unified environmental protection strategy. The California Performance Review found that the current organization of Cal-EPA has four key problems:

- *The current framework for environmental regulation lacks accountability.*
- *Environmental decisions do not reflect an integrated understanding of different types of pollution.*
- *There is significant overlap in jurisdictional functions within Cal-EPA.*
- *Environmental programs are dispersed throughout government.*

ORGANIZATIONAL IMPROVEMENTS

The proposed framework will transform Cal-EPA from a collection of separate boards and commissions into an integrated Department of Environmental Protection to effectively protect California's environment. Specifically, the Department of Environmental Protection will include the following organizational units: the Office of the Secretary for Environmental Protection, the Division of Air Quality, the Division of Water Quality, the Division of Pollution Prevention, Recycling, and Waste Management, the Division of Site Cleanup and Emergency Response, and the Division of Pesticide Regulation.

PUBLIC COMMENT

17 comments were received for the recommendations in this section.
4 comments expressed support. 5 comments expressed opposition.
8 comments were neutral.

Pros

- The proposed reorganization is a solid step toward detangling the web of Cal-EPA.
- The proposal to transfer environmental protection related programs from the current Department of Health Services to the new Department of Environmental Protection has merit.

Cons

- The proposed structure for the new Division of Environmental Protection will be more vulnerable to special interest groups and political and economic influences.

Considerations

- It is recommended that the authority and responsibility for the Business Plan and the Accidental Release Prevention programs from the Office of Emergency Services be transferred to the new Department of Environmental Protection. The intent of these programs is to ensure the safety of emergency response personnel through good planning and by applying appropriate safeguards. Moreover, these programs provide for public oversight and participation in the regulatory process.
- In addition to the proposed organization of the new Department of Environmental Protection, consideration for the creation of a separate Scientific Support Division should be made. This division would bring together scientists performing similar jobs in different programs; which would help to achieve consistency across departments, reduce duplication, and facilitate cross-media research in the environmental sciences.
- It is not clear how the new organizational framework differs from the current Cal-EPA system. Moreover, clear examples of the inefficiencies of the current Cal-EPA structure and how the proposed structure will alleviate these problems are not provided. More details are necessary to conduct a more substantive analysis.

ADDITIONAL INFORMATION

Please refer to “RES 01: Establish a Single Point of Contact for All Public Inquiries to the California Environmental Protection Agency” in Chapter 6 for additional information and public comment.

OFFICE OF THE SECRETARY

The Office of the Secretary will provide an integrated perspective on environmental protection that collectively takes into account air, water, and solid waste pollution. The Office of the Secretary should provide leadership for the divisions within the new Department of Environmental Protection.

The following support function will be transferred to the Office of the Secretary:

- *All program support functions will be transferred, including: administrative services legal counsel, public affairs, legislative affairs, and regulatory and policy development from the boards, departments, and offices of Cal-EPA.*

PUBLIC COMMENT

2 comments were received for the recommendations in this section.
1 comment expressed support. 1 comment expressed opposition.

Pros

- No testimony submitted.

Cons

- No testimony submitted.

Considerations

- Consider transferring the functions related to the California Environmental Quality Act (CEQA) from the California Resources Agency to the new Office of the Secretary for the Department of Environmental Protection.
- It is recommended that an Environmental Review Section, which would be responsible for the functions of the State Clearinghouse, be added to the Office of the Secretary. This Environmental Review Section could also be expanded to include a library that provides a central source for agencies to access information and issues pertaining to CEQA guidelines.

DIVISION OF WATER QUALITY

The goal of the Division of Water Quality will be to protect and restore water quality by issuing water discharge permits, regulating storm water runoff, protecting watersheds, and producing water basin plans.

The following functions will be transferred to the Division of Water Quality:

- *The water quality functions from the State Water Resources Control Board and nine Regional Water Quality Control Boards will be transferred.*
- *The Drinking Water Branch and the Shell Fish Monitoring Program from the Department of Health Services will be transferred.*

PUBLIC COMMENT

19 comments were received for the recommendations in this section. 5 comments expressed support. 10 comments expressed opposition. 4 comments were neutral.

Pros

- The proposal to move the Drinking Water Branch (DWB) from the Health and Human Services Agency to the Department of Environmental Protection makes sense due to the risk management function of the DWB. This move could increase efficiency of the DWB in coordination with the Office of Environmental Health Hazard

and Assessment (OEHHA). In order to gain this efficiency, however, the OEHHA would need to be located in the new Department of Environmental Protection.

Cons

- This recommendation will remove water quality issues from the purview of local government. Consequently, this move will have a negative impact on public accessibility to decisions-making with respect to local water quality issues.
- The current Department of Health Services should continue to be the model for drinking water programs. It is recommended that similar drinking water programs also be located within the current Department of Health Services.

Considerations

- The Riverside Arroyo Preservation Committee should be placed within the Division of Water Quality in the Department of Environmental Protection.

ADDITIONAL INFORMATION

Please refer to “RES 06: Consolidate Funding Programs for Clean Water Infrastructure” in Chapter 6 for additional information and public comment. Please refer to “Boards and Commissions” in this chapter for additional information and public comment on the State Water Resources Control Board and the Regional Water Quality Control Boards.

DIVISION OF POLLUTION PREVENTION, RECYCLING, AND WASTE MANAGEMENT

The Division of Pollution Prevention, Recycling, and Waste Management will regulate the disposal of solid waste to maximize recycling, minimize the impact of solid waste on the environment, and help citizens and businesses do their part to protect the environment. The Division of Pollution Prevention, Recycling and Waste Management will administer pollution prevention and recycling programs, permit and inspect facilities and operations, and create policies and enforce laws and regulations for solid, hazardous, radiological and medical waste.

The following functions and programs will be transferred to the Division of Pollution Prevention, Recycling, and Waste Management:

- *Division of Recycling from the Department of Conservation.*
- *Diversion, Planning and Local Assistance Division from the Integrated Waste Management Board.*

- *Waste Prevention and Market Development Division from the Integrated Waste Management Board.*
- *Special Waste Division from the Integrated Waste Management Board.*
- *Office of Pollution Prevention from the Department of Toxic Substances Control.*
- *Hazardous Waste Management Program and the Hazardous Materials Laboratory from the Department of Toxic Substances Control.*
- *Radiological Health Branch from the Department of Health Services, with the exception of the Registration, Certification, Mammography, and Standards Section.*
- *Environmental Management Branch from the Department of Health Services.*
- *Permitting and Enforcement Division from the Integrated Waste Management Board.*
- *Functions and staffing from the State Water Resources Control Board and the Regional Water Quality Control Boards which deal with solid waste management.*

PUBLIC COMMENT

28 comments were received for the recommendations in this section. 10 comments expressed support. 12 comments expressed opposition. 6 comments were neutral.

Pros

- The radiological waste programs are appropriately located within the Division of Pollution Prevention, Recycling, and Waste Management.

Cons

- The Radiological Health Branch should not be placed in the Division of Pollution Prevention, Recycling, and Waste Management or in the Department of Environmental Protection. The Radiological Health Branch is highly technical and regulated nationally. The Department of Environmental Protection does not have the expertise to handle or make technical decisions regarding practices of the branch. It is recommended that the branch be organized within the Department of Health and Human Services, where similar Radiological Health Branches are located in many other states.

Considerations

- It is recommended that meaningful regulations be put in place where the end result is not simply a permit but the prevention of pollution.
- The functions of the Division of Pollution Prevention, Recycling, and Waste Management do not adequately carry out the market development focus of some of the agencies being transferred into

the division. For example, a discussion on the opportunities created by improved conversion technologies to divert material from landfill should be addressed in the Division of Pollution Prevention, Recycling, and Waste Management.

- The functions of the Radiological Health Branch may have been misunderstood. The Radiological Health Branch is not a Low Level Radiological Waste Environmental Management agency. Rather, the branch is a public health agency and should be located in the new organization of state government appropriately.

ADDITIONAL INFORMATION

Please refer to “RES 02: Consolidate Cleanup, Spill Prevention, and Emergency Response Programs,” “RES 03: Consolidate Waste Management Programs,” and “RES 04: Consolidate Pollution Prevention Programs” in Chapter 6 for additional information and public comment. Please refer to “Boards and Commissions” in this chapter for additional information and public comment on the Integrated Waste Management Board, State Water Resources Control Board, and the Regional Water Quality Control Boards.

DIVISION OF SITE CLEANUP AND EMERGENCY RESPONSE

The Division of Site Cleanup and Emergency Response will oversee the cleanup of sites contaminated with hazardous substances, conduct prevention programs and provide emergency cleanup response for oil spills, hazardous substance releases, and illegal methamphetamine labs.

The following functions will be transferred to the Division of Site Cleanup and Emergency Response:

- *Underground Storage Tank Program from the State Water Resources Control Board.*
- *Site cleanup and corrective action functions from the Department of Toxic Substances Control.*
- *Human and Ecological Risk Division from the Department of Toxic Substances Control.*
- *Site cleanup responsibility for Department of Defense sites from the Department of Toxic Substances Control and the State Water Resources Control Board.*
- *Site cleanup functions in the Spills, Leaks, Investigations and Cleanup Program from the State Water Resources Control Board.*
- *Remediation, Closure and Technical Services Branch from the Integrated Waste Management Board.*
- *Oil Spill Prevention and Response Program from the Department of Fish and Game.*
- *Marine Facilities Division from the State Lands Commission.*

- *Spill prevention and response functions from the California Coastal Commission.*
- *Emergency Response Program from the Department of Toxic Substances Control.*
- *Hazardous Materials Program from the Office of Emergency Services.*

PUBLIC COMMENT

13 comments were received for the recommendations in this section. 7 comments expressed support. 3 comments expressed opposition. 3 comments were neutral.

Pros

- The proposal to transfer the Underground Tank Clean Up and site cleanup authorities to the new Division of Site Cleanup and Emergency Response is a positive move.

Cons

- The California Accidental Release Program provides first responders and the public with important information. Since the Department of Toxic Substances Control is not a first response public safety agency, it may be more effective to place the Accidental Release Program in the Office of the State Fire Marshall. This office has regulatory, enforcement, and administrative experience in managing risk reduction programs.

Considerations

- It is recommended that abolishing the Technical Review Section of the State Water Resources Control Board Underground Tank Cleanup Fund be considered. The Technical Review Section is redundant to the Regional Water Quality Control Board's regulation of petroleum contaminated soil. Furthermore, the Technical Review Section is appropriating authority vested in the Regional Water Quality Control Boards and, consequently, clean up efforts are being delayed.

ADDITIONAL INFORMATION

Please refer to "RES 02: Consolidate Cleanup, Spill Prevention, and Emergency Response Programs," in Chapter 6 for additional information and public comment. Please refer to "Boards and Commissions" in this chapter for additional information and public comment on the State Water Resources Control Board, Integrated Waste Management Board, and the State Lands Commission.

DIVISION OF PESTICIDE REGULATION

The Division of Pesticide Regulation will regulate the registration, sale, and use of pesticides for indoor and outdoor use.

The following functions will be transferred to the Division of Pesticide Regulation:

- *All functions and staff from the Department of Pesticide Regulation and the Structural Pest Control Board within the Department of Consumer Affairs will be transferred.*

PUBLIC COMMENT

5 comments were received for the recommendations in this section.

4 comments expressed support. 1 comment expressed opposition.

Pros

- Combining the functions of the Department of Pesticide Regulation and the Structural Pest Control Board is a positive step. These entities have overlapping responsibilities and combining these entities will create greater efficiency.

Cons

- These two entities have unique functions that should not be combined.

Considerations

- It is recommended that the focus of this proposal encompass pest management, not just pesticide regulation.

THE INFRASTRUCTURE DEPARTMENT

ISSUE

One of government's most important functions in promoting sustainability and economic development is to provide a well-maintained infrastructure system that includes roads, air and water ports, public utilities, water facilities, public buildings, and schools. Unfortunately, California's infrastructure is aging and much of it is in need of repair and renovation.

The California Performance Review found the following four problems with the existing infrastructure system, all of which are due to a lack of coordination:

- *California lacks an integrated infrastructure policy.*
- *Infrastructure projects are not centrally managed or coordinated.*
- *Necessary infrastructure investment lacks stable funding.*
- *Multiple agencies involved in infrastructure make it difficult to complete projects.*

ORGANIZATIONAL IMPROVEMENTS

To address these problems, an integrated Infrastructure Department will be created from the different infrastructure operations currently spread across 32 departments, agencies, boards and commissions. The Department should have six operating divisions: Water; Energy; Transportation; Housing, Buildings, and Construction; Telecommunications; Boating and Waterways.

In addition to a central Infrastructure Authority, there will be a division for planning, programming and evaluation; and a division for research and development.

The mission of the Department is to provide for and manage the full life cycle of the state's infrastructure network to achieve the best value for the people of California, the business community, and the environment. Its strategic goals will include:

- *Integrating transportation and housing to achieve sustainable communities.*
- *Delivering energy and water where needed and when needed.*
- *Managing state infrastructure assets to obtain maximum use and revenue.*
- *Delivering resources to maintain infrastructure, not fund overhead.*

PUBLIC COMMENT

18 comments were received for the recommendations in this section. 7 comments expressed support. 5 comments expressed opposition. 6 comments were neutral.

Pros

- California suffers from an absence of singular accountability for policy and financial decisions. This lack of vision and comprehensive planning has affected all aspects of infrastructure.

Cons

- The consolidation of numerous responsibilities other than transportation into one authority could dilute expertise in transportation work. In addition, the ability of local and regional agencies to have transportation priorities recognized at the state level may be hindered. This will reduce the authority to a staff driven process with a lack of public accountability.

Considerations

- The recommendation regarding consolidation of related functions within the Infrastructure Department has merit. However, the

consolidation should not come at the cost of reducing the visibility of housing programs or force other programs within the Infrastructure Department to compete for resources and/or funding.

INFRASTRUCTURE AUTHORITY AND THE SECRETARY

The Infrastructure Authority will serve as the Board of Directors for the Infrastructure Department. The Secretary of the Infrastructure Department will serve as the Chairperson of the Infrastructure Authority. The Infrastructure Authority will adopt a long range infrastructure plan, approve infrastructure policy, and coordinate infrastructure projects based on biennial fund estimates. The Infrastructure Authority will also assume the responsibility for power generation and transmission line site approval from the Public Utilities Commission and the Energy Commission.

The following functions will be transferred to the Infrastructure Authority:

- Programming functions from the California Energy Commission, California Transportation Commission, and the Departments of Transportation and Water Resources will be transferred.*
- General plan functions, infrastructure plan functions, and intergovernmental review functions of the Governor's Office of Planning and Research and the Department of Finance will be transferred.*
- The research and development functions of the Department of Water Resources, the Energy Commission, and the Department of Transportation will be transferred.*
- The infrastructure financing functions of the Infrastructure Bank, the Department of Water Resources, the Transportation Commission, the Department of Transportation, the Consumer Power and Conservation Financing Authority, the High Speed Rail Authority, and the Energy Commission will be transferred.*

PUBLIC COMMENT

2 comments were received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Consolidating the proposed committees into the Infrastructure Authority may not be a positive move. The independence and authority of these committees is necessary to ensure that neutral and unbiased decisions regarding the infrastructure of the state are made. Having the Secretary of the Infrastructure Authority also act as the

Chair of the Infrastructure Authority will compromise the integrity and credibility of the Infrastructure Department.

Considerations

- No testimony submitted.

WATER DIVISION

The Water Division will be responsible for the operation and construction of the State Water Project. It will also provide input on water infrastructure bonds and statewide water planning and be responsible for local assistance grants management.

The following functions will be transferred into the Water Division:

- *The functions of the State Water Project from the Department of Water Resources, as well as the functions of the Water Commission.*
- *The Bay Delta Authority, and its functions, will be transferred.*

PUBLIC COMMENT

20 comments were received for the recommendations in this section. 9 comments expressed support. 10 comments expressed opposition. 1 comment was neutral.

Pros

- By turning over the functions of the State Water Project to Joint Powers Authority of contractors for state water, it would allow contractors to operate and maintain the system and remove that burden from the state government.

Cons

- The proposal to restructure the administration of the State Water Project and allow the project's contractors to handle administrative and policy control could have negative consequences on the state's water policy.
- The transfer of functions from the Department of Water Resources to the Infrastructure Department would not be beneficial.

Considerations

- No testimony submitted.

ADDITIONAL INFORMATION

Please refer to “INF 07: The State Needs to Restructure the Administration Over the State Water Project,” “INF 08: CALFED Bay-Delta Program is Not Functioning Efficiently,” and “INF 09: California Needs Strong Water Policy” in Chapter 1 for additional information and public comment.

ENERGY DIVISION

The goal of the Division will be to develop and implement a single and coordinated energy policy that ensures adequate supply and predictable prices. The Energy Division will provide staff support for the approval of power plants and transmission lines, manage and promote conservation and efficiency, and administer renewable energy and green bank programs. It will provide input for the planning and forecasting of energy supply and infrastructure. It will also prepare the filings and represent the State of California before the Federal Energy Regulatory Commission.

The following functions will be transferred to the Energy Division:

- The functions of the Electricity Oversight Board, the Energy Commission, the Consumer Power and Conservation Financing Authority, the Department of Water Resources, the Department of Conservation, the State Lands Commission, and selected functions of the Public Utilities Commission will be transferred.*

PUBLIC COMMENT

2 comments were received and expressed support for the recommendations in this section. No opposing or neutral comments were received.

Pros

- The proposal to transfer some functions from the Public Utilities Commission to the Energy Division has merit. Further discussion is required on how the Public Utilities Commission will manage its remaining functions.

Cons

- No testimony submitted.

Considerations

- No testimony submitted.

ADDITIONAL INFORMATION

Please refer to “INF 23: Energy Conservation, Efficiency Have Not Achieved Full Potential” in Chapter 1 for additional information and public comment. Please refer to “Boards and Commissions” in this chapter for additional information and public comment on the Energy Commission and the State Lands Commission.

HOUSING, BUILDINGS, AND CONSTRUCTION DIVISION

The Housing, Buildings, and Construction Division will be responsible for developing building standards and policies for the operation, maintenance, and construction of state financed facilities. The Housing, Buildings, and Construction Division will also administer and develop housing policies and standards, administer grants, and enforce housing regulation programs. This division will provide input to the Planning, Programming, and Evaluation Division on general plan guidelines and the housing element. It also will provide a fee-for-service facilities program to other state divisions. The Housing, Buildings, and Construction Division should manage all school construction permitting and provide comprehensive training and certification programs for state, city, and county agencies and contractors.

The Housing, Buildings, and Construction Division will be organized as follows:

- *The functions of the Department of Housing and Community Development; the Department of General Services, State Building Standards Commission, Department of Finance, State Public Works Board, State Lands Commission, Public Library Construction and Renovation Board, Department of Community Services and Development, Department of Toxic Substances Control, the State Allocation Board and the Office of the State Architect will be transferred to the Housing, Buildings, and Construction Division.*
- *The California Housing Finance Agency will maintain a relationship with the Infrastructure Department for purposes of staff support similar to its current arrangement with the Business, Transportation, and Housing Agency.*

PUBLIC COMMENT

1 comment was received and expressed opposition to the recommendations in this section. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The proposal to move the Department of Community Services and Development into a new agency consisting of superficially related

activities is limited in vision. The proposed placement could dilute current actions to improve conditions impacting the state's low-income population.

Considerations

- More specific information regarding how the new Office of Building Standards would operate under the Infrastructure Department is needed to make significant comments.

ADDITIONAL INFORMATION

Please refer to "Boards and Commissions" in this chapter for additional information and public comment on the State Building Standards Commission, the State Public Works Board, State Lands Commission, and the State Allocation Board.

TELECOMMUNICATIONS DIVISION

The Telecommunications Division will assume the functions of the Telecommunications Division of the Public Utilities Commission.

PUBLIC COMMENT

3 comments were received for the recommendations in this section. No comments expressed support. 2 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- Policy and ratemaking functions should remain separate.

Considerations

- It is not clear how the legal functions of the Public Utilities Commission will be addressed in the new Telecommunications Division. There needs to be further explanation on how existing law for judicial review of the Public Utilities Commission will apply.
- It is recommended that supporting telecommunications policy issues, such as subsidizing low income customers, and eliminating state intervention in pricing and operational decisions should be considered.

- More detail is required on how the Deaf and Disabled Telecommunications Program and the Telecommunications Access for the Deaf and Disabled Administrative Committee will be administered in the Telecommunications Division.

BOATING AND WATERWAYS DIVISION

The goal of the Boating and Waterways Division is to promote safe, recreational aquatic activities for all residents of California. The Boating and Waterways Division will achieve its goal by providing training for local boating law enforcement agents. The Boating and Waterways Division will educate children and adults about boating and boating safety. In addition, the division will make infrastructure loans and grants for the construction of aquatic infrastructure facilities including marinas, boat launching ramps, and vessel sewage pump-out stations.

The following functions will be transferred to the Boating and Waterways Division:

- *The non-licensing functions of the Department of Boating and Waterways will be transferred from the Resources Agency.*
- *The oversight functions of the Boating and Waterways Commission will be transferred.*

PUBLIC COMMENT

5 comments were received for the recommendations in this section.
2 comments expressed support. 1 comment expressed opposition.
2 comments were neutral.

Pros

- The positive aspect of creating the Boating and Waterways Division within the Infrastructure Department is that it will remain a separate entity. The leadership of the Boating and Waterways Division can continue focusing on the promotion of boating by more efficient use of taxes and fees.

Cons

- No testimony submitted.

Considerations

- The revenue generated from boaters such as the registration of boats, gas tax collected at marinas, and loan repayments fund the Department of Boating and Waterways. These funds should not be used for other divisions within the Infrastructure Department.

ADDITIONAL INFORMATION

Please refer to “Boards and Commissions” in this chapter for additional information and public comment on the Boating and Waterways Commission.

THE DEPARTMENT OF NATURAL RESOURCES

ISSUE

In recent years legislation, regulations, federal requirements, and ballot initiatives have led to the creation of new programs and new responsibilities designed to protect natural resources. Unfortunately, these efforts have resulted in state government doing more to manage California’s resources, but it is difficult to argue that these efforts have led to better resource management. In its comprehensive review CPR found two key problems:

- *Activities performed by the Resources Agency are duplicated by other departments, boards, or commissions.*
- *Similar functions are often separated within the Resources Agency and across the state.*

ORGANIZATIONAL IMPROVEMENTS

Efforts to manage and protect California’s natural resources will be refocused by consolidating and aligning overlapping program responsibilities and eliminating duplicative functions to create efficiency. The Resources Agency will be consolidated and reorganized into an integrated Department of Natural Resources with the following organizational units: Office of the Secretary; Division of Land Management; Division of Wildlife Management; Division of Parks, History and Culture; California Coastal Commission; San Francisco Bay Conservation and Development Commission; and State Conservancies.

PUBLIC COMMENT

5 comments were received for the recommendations in this section.
No comments expressed support. 3 comments expressed opposition.
2 comments were neutral.

Pros

- No testimony submitted.

Cons

- The recommendations for the Department of Natural Resources appear to create more differences rather than similarities within the park system. The fragmentation of this system could lead to greater inefficiency and may weaken the state park system. This system is a model of efficiency and generates revenue for local communities and should not be diminished.

Considerations

- Provisions should be made to alleviate concerns that the new structure of the Department of Natural Resources consolidates power to a single appointee.

DIVISION OF LAND MANAGEMENT

The Division of Land Management will manage and protect land the state received upon its entry into the Union, including the beds of all naturally navigable waterways, tide and submerged lands in the ocean, swamp, and overflow lands. It will also be responsible for state policies concerning agricultural and open space lands, geology and seismology, mineral, and forestry resource management functions, including timber harvesting.

The following land management functions and programs will be transferred to the Division of Land Management:

- *Office of Mine Reclamation from Department of Conservation.*
- *California Geological Survey from Department of Conservation.*
- *Division of Land Resource Protection from Department of Conservation.*
- *Environmental Planning and Managing from State Lands Commission.*
- *Mineral Resources Management from State Lands Commission, with the exception of energy-related leases.*
- *Land Management from State Lands Commission, with the exception of school lands management.*
- *Resource Management from California Department of Forestry.*
- *California Environmental Quality Act guidelines and Clearinghouse functions of the Office of Planning and Research.*
- *Land acquisition activities from State Lands Commission, Wildlife Conservation Board, and Department of Parks and Recreation.*
- *Board of Mining and Geology; and Board of Geologists and Geophysicists.*

PUBLIC COMMENT

38 comments were received for the recommendations in this section. 14 comments expressed support. 14 comments expressed opposition. 10 comments were neutral.

Pros

- The consolidated Division of Land Management will provide greater oversight and coordination of state land acquisition.

Cons

- The California Department of Forestry should not be split between the Department of Public Safety and Homeland Security and the Department of Natural Resources.
- The protection and management of land are not mutually exclusive. Dividing these functions between two departments may create inefficiency.
- Merging the Geologist and Geophysicists Board and the Board of Mining and Geology will conflate the board's distinctive functions.

Considerations

- The proposal, as written, is not clear regarding the full functions of the Division of Land Management. A detailed structure and discussion of processes, such as licensing, needs to be specified.
- Consolidating the Fish and Game Commission and the Wildlife Conservation Board should be considered.
- The recommendations related to the Department of Natural Resources overlooks the land acquisition functions of the Public Works Board, which approves land acquisition for management by the Department of Parks and Recreation. Although it is stated elsewhere in the report that the Public Works Board will be merged with the Wildlife Conservation Board, it is not explicitly explained in this section.
- It is recommended that individual expertise be maintained during the consolidation of the Division of Land Management.

ADDITIONAL INFORMATION

Please refer to “RES 08: Consolidate the State’s Geologic Programs,” “RES 11: Consolidate Real Estate Services into One Organization,” and “RES 13: Consolidate Resource Land Acquisition Processes” in Chapter 6 for additional information and public comment. Please refer to “Boards and Commissions” in this chapter for additional information and public comment on the State Lands Commission and the Board of Geologists and Geophysicists.

WATER RIGHTS BOARD

The Water Rights Board will allocate water rights in California by issuing permits. The Board will also develop strategies to conserve and use the state’s water resources while protecting vested rights, water quality, and the environment.

The following functions will be transferred to the Water Rights Board:

- *The water rights functions of the State Water Resources Control Board will be transferred.*

PUBLIC COMMENT

3 comments were received in opposition to the recommendations in this section. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Water rights and quality are inextricably linked and must be considered together.

Considerations

- The recommendation does not provide adequate information regarding the appeal or public input process.

ADDITIONAL INFORMATION

Please refer to “Boards and Commissions” in this chapter for additional information and public comment on the State Water Resources Control Board.

DIVISION OF WILDLIFE MANAGEMENT

The Division of Wildlife Management will be charged with maintaining native fish, wildlife, plant species, and natural communities for ecological value, benefits to people, and habitat protection. The Division of Wildlife Management will also ensure diversified use of fish and wildlife for recreational, commercial, scientific and educational purposes.

The following functions will be transferred to the Division of Wildlife Management:

- *The wildlife management functions of the Department of Fish and Game will be transferred.*

PUBLIC COMMENT

2 comments were received for the recommendations in this section. No comments expressed support. 1 comment expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- Fisheries management plays a vital role in state government and should be under the purview of the Department of Fish and Game.

Considerations

- It is recommended that the Fish and Game Commission and the Wildlife Conservation Board be unified.

DIVISION OF PARKS, HISTORY, AND CULTURE

The Division of Parks, History, and Culture will work to preserve the state's extraordinary biological diversity, protecting natural and cultural resources, and creating opportunities for high-quality outdoor recreation.

The following recreational, historical, and cultural functions and programs should be consolidated and their functions transferred to the Division of Parks, History, and Culture:

- *Department of Parks and Recreation.*
- *California Science Center from the State and Consumer Services Agency.*
- *African-American Museum from the State and Consumer Services Agency.*

PUBLIC COMMENT

19 comments were received for the recommendations in this section.

4 comments expressed support. 6 comments expressed opposition.

9 comments were neutral.

Pros

- The Department of Parks and Recreation currently houses a large portion of the state's historical agencies. The recommendation to locate additional historical functions in the Division of Parks, History, and Culture would highlight the importance of these agencies within the parks division.

Cons

- It is not clear from the proposal how funding for the State Science Center will be affected. The funding for this program should not be changed.

Considerations

- The Division of Parks and Recreation should be moved to the Infrastructure Department or become a separate department.

ADDITIONAL INFORMATION

Please refer to “RES 09: Consolidate California Heritage Programs” in Chapter 6 for additional information and public comment.

CALIFORNIA COASTAL COMMISSION

The California Coastal Commission will continue to protect the environment and the human-based resources of the California coast. The California Coastal Commission will continue to work in conjunction with coastal cities and counties to plan and regulate development, industrial uses, public access, and recreation in coastal zones.

The California Coastal Commission will be transferred intact from the Resources Agency to the new Department of Natural Resources.

PUBLIC COMMENT

All 4 comments received were neutral on the recommendations in this section. No supporting or opposing comments were received.

Pros

- No testimony submitted.

Cons

- No testimony submitted.

Considerations

- It is recommended that the California Coastal Commission be eliminated. The commission adds an unnecessary layer of government; thus duplicating the functions of county and city governmental agencies, the current Department of Parks and Recreation, and the current Department of Fish and Game.

SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT COMMISSION

The San Francisco Bay Conservation and Development Commission will continue to regulate the filling and dredging in the San Francisco Bay, protecting the Suisun Marsh, regulating new development on the margins of the Bay, and administering the federal Coastal Zone Management Act within the San Francisco Bay region of the coastal zone.

REPORT OF THE CALIFORNIA PERFORMANCE REVIEW COMMISSION

The San Francisco Bay Conservation and Development Commission will be transferred intact from the Resources Agency to the Department of Natural Resources.

ADDITIONAL INFORMATION

Please refer to “RES 30: Streamline Activities of the San Francisco Bay Conservation and Development Commission” in Chapter 6 for additional and public comment.

STATE CONSERVANCIES DIVISION

The State Conservancies Division will acquire open space and manage public lands to provide access, recreation, restoration, and protection of wildlife habitat.

The following conservancies will operate under the Department of Natural Resources:

- *Baldwin Hills Conservancy.*
- *California Tahoe Conservancy.*
- *Coachella Valley Mountains Conservancy.*
- *San Diego River Conservancy.*
- *San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy.*
- *San Joaquin River Conservancy.*
- *Santa Monica Mountains Conservancy.*
- *State Coastal Conservancy.*

PUBLIC COMMENT

119 comments were received for the recommendations in this section. 6 comments expressed support. 110 comments expressed opposition. 3 comments were neutral.

Pros

- Devolving conservancies to the local level could provide for local or regional control of local or regional efforts.

Cons

- The state’s conservancy programs should not be reorganized.
- The San Joaquin River Conservancy, the San Diego River Conservancy, San Gabriel and Los Angeles Rivers and Mountains Conservancy, and the Baldwin Hills Conservancy should be preserved.

Considerations

- More implementation details are needed. For example, a discussion of specific statutory provisions enacted for each conservancy should be included in this recommendation.
- The recommendation to reorganize the local conservancies is not clear regarding how the reorganization will affect local contributions made to the conservancy. For example, local community members vote for and pass bond measures that generate funds for several conservancies. It is not clear how funds from these measures will remain separate from and dedicated to specific conservancies.

ADDITIONAL INFORMATION

Please refer to “RES 12: Restructure Funding and Governance for Certain Land Conservancies” in Chapter 6 for additional information and public comment.

THE DEPARTMENT OF COMMERCE AND CONSUMER PROTECTION

ISSUE

The current licensing system does not adequately protect consumers from unqualified professionals and illegitimate businesses. An analysis by the CPR found three core problems with the current system.

- *Licensing responsibilities are split among more than 45 independent departments, bureaus and commissions.*
- *The current system does not license qualified individuals in a timely manner because resource allocation is not flexible.*
- *California licensing authorities have not adopted best practices.*

ORGANIZATIONAL IMPROVEMENTS

To address these problems, California’s consumer protection and business regulatory functions will be reorganized to establish an integrated Department of Commerce and Consumer Protection. The department will be comprised of the Office of the Secretary, Office of the Consumer Protection and Licensing Portal, Office of Consumer Protection, Office of Gaming, Office of Hearings and Appeals, Division of Real Estate Services, Division of Financial Services, Division of Commercial Licenses, and Division of Motor Vehicles.

The Department of Commerce and Consumer Protection will:

- *Be more flexible to allow licensing staff to be moved between areas based on changing needs instead of being fixed within specific departments.*
 - *Establish one point of contact and accountability for licensing and consumer complaints.*
-

OFFICE OF CONSUMER PROTECTION

PUBLIC COMMENT

1 comment was received and expressed opposition to the recommendations in this section. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- It is not recommended to support the decision to move the Department of Weights and Measures to the Department of Commerce and Consumer Protection. The majority of industries regulated by weights and measures are agriculturally related. Moreover, the Department of Weights and Measures has other agriculturally related functions that would not be addressed in the Office of Consumer Protection.

Considerations

- No testimony submitted.

DIVISION OF FINANCIAL SERVICES

The Division of Financial Services will carry out all of the existing functions of the Department of Corporations and the Department of Financial Institutions. The goal of the Division of Financial Services will be to license and regulate securities brokers and dealers, investment advisers and financial planners, certain fiduciaries, and lenders in a fair and effective manner.

The following function and authority will be transferred to the Division of Financial Services:

- *The functions and authority of the Department of Financial Institutions and the Department of Corporations will be transferred from the Business, Transportation, and Housing Agency.*

PUBLIC COMMENT

5 comments were received for the recommendations in this section. No comments expressed support. 3 comments expressed opposition. 2 comments were neutral.

Pros

- No testimony submitted.

Cons

- The consolidation of the Department of Financial Institutions and the Department of Corporations could have negative consequences for the legal staff of each department. If legal staffing for the new Division of Financial Services is reduced, it may lead to the presence of fewer legal experts that have the background and expertise in banking issues necessary for this complex sector.
- State-chartered financial institutions may be at a competitive disadvantage with federally chartered competitors.
- The credit union safeguards put in place within the Department of Financial Institutions may be compromised. These safeguards are in place to protect credit unions from for-profit banking entities.

Considerations

- More detail regarding the merger of the Department of Financial Institutions and the Department of Corporations is required to make an adequate assessment of this proposal. It is necessary that safeguards to protect each of these industries from undue influence from other industries are in place.
- The Division of Financial Services should also incorporate the Department of Real Estate and the Office of Real Estate Appraisers. The distinction between these industries is not made by the public. This approach would achieve greater governmental efficiency, accessibility, and responsibility in this key sector of California's economy.

DIVISION OF MOTOR VEHICLES

The goal of the Division of Motor Vehicles will be to quickly and accurately provide vehicle licensing and registration services to California residents.

The following functions will be transferred to the Division of Motor Vehicles:

- *The functions of the Department of Motor Vehicles will be transferred from the Business, Transportation, and Housing Agency.*

PUBLIC COMMENT

2 neutral comments were received for the recommendations in this section. No supporting or opposing comments were received.

Pros

- No testimony submitted.

Cons

- No testimony submitted.

Considerations

- There seem to be significant differences between licensing and certification for businesses and licensing individuals to operate motor vehicles. It is recommended that the licensing functions of the Division of Motor Vehicles be moved to the Department of Public Safety and Homeland Security, since this section works closely with law enforcement personnel. The registration functions of the Division of Motor Vehicles should remain with the Department of Commerce and Consumer Protection.
- Licensure of commercial drivers should be placed in the Division of Commercial Licensing.

DIVISION OF COMMERCIAL LICENSING

The Division of Commercial Licensing will be responsible for all non-specialty licenses for businesses and professionals in the state.

The professional and commercial licensing functions will be transferred to this division from the following entities:

- *Department of Consumer Affairs: Board of Accountancy, California Architects Board, Bureau of Automotive Repair, Board of Barbering and Cosmetology, Cemetery and Funeral Bureau, Contractors' State License Board, Court Reporters Board, Bureau of Electronic and Appliance Repair, Board for Professional Engineers and Land Surveyors, Hearing Aid Dispensers Bureau, Bureau of Home Furnishings and Thermal Insulation, Bureau of Security and Investigative Services and Speech-Language Pathology and Audiology Board.*
- *The Labor Commissioner.*
- *Department of Boating and Waterways.*
- *Department of Transportation.*
- *Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun.*

PUBLIC COMMENT

19 comments were received for the recommendations in this section. 2 comments expressed support. 5 comments expressed opposition. 12 comments were neutral.

Pros

- No testimony submitted.

Cons

- The Hearing Aid Dispensers Bureau should be located with the Department of Health and Human Services since it is an issue that deals with treatment and/or rehabilitation of individuals with hearing disabilities.
- The functions of the Speech-Language Pathology and Audiology Board do not belong in the Division of Commercial Licensing. Pathologists and audiologists are considered allied health professionals and as such, the Speech-Language Pathology and Audiology Board should be placed within the Department of Health and Human Services.

Considerations

- No testimony submitted.

ADDITIONAL INFORMATION

Please refer to “Boards and Commissions” in this chapter for additional information and public comment on the Board of Barbering and Cosmetology, Contractors’ State License Board, Court Reporters Board, Board for Professional Engineers and Land Surveyors, Hearing Aid Dispensers Bureau, and Speech-Language Pathology and Audiology Board.

DIVISION OF REAL ESTATE LICENSING

The Division of Real Estate Licensing will be responsible for licensing and regulating real estate brokers, salespersons, and mortgage brokers as well as real estate appraisers.

The following functions will be transferred to the Division of Real Estate Licensing:

- *The functions of the Department of Real Estate and the Office of Real Estate Appraisers will be transferred from the Business, Transportation and Housing Agency.*

PUBLIC COMMENT

4 comments were received for the recommendations included in this section.
1 comment expressed support. 2 comments expressed opposition.
1 comment was neutral.

Pros

- The consolidation of the Department of Real Estate and the Office of Real Estate Appraisers is a positive move.

Cons

- Decisions relating to issuing licenses and certificates, revocation, and disciplinary actions should not be made by the same official who is also responsible for realty related activities.
- The consolidation of the Department of Real Estate to the Division of Real Estate Licensing, may lead to higher licensing costs for realtors as these funds will be used for the licensing functions for other real estate personnel.

Considerations

- Merging the Office of Real Estate Appraisers with the Division of Real Estate Licensing may have implications on the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. This act requires federal oversight of all state appraiser regulatory agencies in order to ensure compliance.

THE GOVERNOR'S OFFICE OF MANAGEMENT AND BUDGET

ISSUE

The operational functions performed by the Department of Finance, the Department of General Services, the Department of Personnel Administration, and the State Personnel Board collectively serve as the backbone of state government. An analysis by CPR found four specific problems with this system:

- *The Governor and the Legislature do not have access to the information necessary to make strategic decisions.*
- *The authority to make key management decisions is fragmented.*
- *California has not adequately prepared for the impending human capital crisis.*
- *California does not effectively leverage its buying power for the procurement of information technology and other goods and services.*

ORGANIZATIONAL IMPROVEMENTS

The mission of the Office of Management and Budget will be to provide administrative services and oversight to all areas of state government. The Office of Management and Budget will be comprised of Technology Division, Fiscal Affairs Division, California Performance Review Division, Business Services Division, Personnel Management Division, Regulatory Affairs and Adjudication Division, and Retirement Benefits Division.

The goals of the Office of Management and Budget will be to:

- *Identify and implement best practices in fiscal management statewide.*
- *Conduct performance reviews and financial audits of state government programs.*
- *Provide support services in technology, human resources, financial management and procurement.*
- *Administer public retirement and benefit systems.*

PUBLIC COMMENT

1 comment was received in support of the recommendations in this section. No opposing or neutral comments were received.

Pros

- The creation of the Office of Management and Budget is an important first step in creating an effective system for financial management. The Office of Management and Budget provides the opportunity to change the current mismanagement of the state's finances for the better.

Cons

- No testimony submitted.

Considerations

- In the current system, the Director of Finance serves as the primary fiscal advisor to the Governor, the administration, and advises agencies on proposals and recommendations with fiscal implications. In addition, the current Director of Finance fosters important relationships with the Governor and the Legislature and serves as the spokesperson for the administration and, at times, the Governor to the wider public. While the leadership for the new Office of Management and Budget may be able to perform existing and additional essential functions, the former roles of the Director of Finance should not be diluted.

HUMAN RESOURCES DIVISION

The Human Resources Division will consolidate the personnel functions of the State Personnel Board and the Department of Personnel Administration. The State Personnel Board, which is constitutionally mandated, will continue to serve as a hearing and appellate body for reviewing state disciplinary actions as well as other merit oversight activities. The Human Resources Division will oversee benefits, operations, policy, strategic workforce planning, Equal Employment Opportunity, employee-employer relations, labor relations, and legal support.

The following functions will be transferred to the Human Resources Division:

- *All of the existing functions of the Department of Personnel Administration.*
- *All of the non-appeal functions of the State Personnel Board. The State Personnel Board will establish a coordinating relationship with the Human Resources Division.*

PUBLIC COMMENT

2 comments were received for the recommendations in this section.

1 comment expressed support. No comments expressed opposition.

1 comment was neutral.

Pros

- The consolidation of the State Personnel Board and the Department of Personnel Administration is a positive step. By doing this, the new Human Resources Division would have a coordinated staff to address the needs and priorities of the division, eliminate the duplication that exists between the two entities, and reduce the cost and inefficiencies of the system.

Cons

- No testimony submitted.

Considerations

- No testimony submitted.

REGULATORY AFFAIRS AND ADJUDICATION DIVISION

The Regulatory Affairs and Adjudication Division will provide for the effective review of the rulemaking process and the hearing of administrative and mandate disputes. The Office of Administrative Hearings will continue to provide both adjudication and dispute resolution services and the Office of Administrative Law will continue assisting state agencies in reviewing proposed administrative regulations. The Commission on State Mandates will continue to adjudicate claims by local entities that allege the existence of reimbursable

state mandated programs, decide claims against the Controller, and determine the existence of significant financial distress for applicant counties that seek to reduce their general assistance standards of aid. The Government Claims Program will also continue to resolve claims filed against the State of California and administer special programs mandated by the Legislature for the purpose of providing appropriate specified financial relief for people who have incurred damages due to natural disasters, or through the action or inaction of state government. The review of government claims will be split from the Victims Compensation and Government Claims Board.

The following functions will be transferred to the Regulatory Affairs and Adjudication Division:

- *The existing functions of the Office of Administrative Hearings, the Office of Administrative Law, the Commission on State Mandates, and the Government Claims Program within the Victim Compensation and Government Claims Board will be transferred.*

PUBLIC COMMENT

1 neutral comment was received. No supporting or opposing comments were received.

Pros

- No testimony submitted.

Cons

- No testimony submitted.

Considerations

- The effort to increase dispute resolution through mediation is a positive step. However, mediation within the Regulatory Affairs and Adjudication Division may not provide the field expertise necessary for fair and effective review.

RETIREMENT BENEFITS DIVISION

The Retirement Benefits Division will consist of the current State Teachers' Retirement System, the California Employees' Retirement System, and the Boxer's Pension program which is currently part of the Athletic Commission. The organization of these entities will not be altered, and a coordinating relationship will be developed with the Retirements Benefit Division.

PUBLIC COMMENT

2 comments were received for the recommendations in this section. No supporting comments were received. 1 comment expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- This recommendation could negatively affect the independence and autonomy of the California Employees' Retirement System.

Considerations

- The rationale for moving the Boxer's Pension program from the Athletic Commission to the Retirement Benefits Division could be clarified.

THE CALIFORNIA TAX COMMISSION

ISSUE

California's tax collection system is currently divided between four different agencies: Board of Equalization, Franchise Tax Board, Department of Motor Vehicles, and Employment Development Department collect employment taxes. It is important to streamline tax collection in order to facilitate financing for needed services to maintain the trust of taxpayers. In its comprehensive review, CPR found three main obstacles to efficient tax collection in the state:

- *California's tax system is duplicative.*
- *California's tax system is inefficient.*
- *California's tax system is confusing for taxpayers.*

ORGANIZATIONAL IMPROVEMENTS

To address these problems, California's revenue agencies will be consolidated into one California Tax Commission. This Commission will integrate revenue collection activities independent of the budget and fiscal agencies. By consolidating revenue agencies, the California Tax Commission will eliminate duplicative functions and responsibilities, be open and accountable to the people, maintain a high level of efficiency, and maintain and promote customer service, providing a one-stop-shop where any taxpayer can resolve tax issues.

The following functions will be transferred to the California Tax Commission:

- *The powers, duties, responsibilities, obligations and jurisdiction of the Franchise Tax Board.*

- *The duties, responsibilities, obligations, liabilities and functions of the Employment Development Department, specifically:*
 - *The determination of contribution rates and the administration and collection of contributions, penalties, and interest including, but not limited to, filing and releasing liens.*
 - *The establishment, administration, and transfer of reserve accounts.*
 - *The assessments and the administration of credits and refunds.*
 - *The approval of elections for coverage or for financing unemployment and disability insurance coverage.*
- *The duties, responsibilities, obligations, liabilities, and functions of the Department of Motor Vehicles concerning the Vehicle License Fee will be transferred.*

PUBLIC COMMENT

16 comments were received for the recommendations in this section.
 3 comments expressed support. 2 comments expressed opposition.
 11 comments were neutral.

Pros

- It is a good move to place the audit function under the Tax Commission where it will be responsible for multiple departments. The current system is highly politicized and prevents objective, unbiased analysis.
- A consolidated tax commission makes good sense. This structure could improve customer service by providing a single point of contact.
- The consolidated entity could operate out of one data center rather than three. In addition, it will be able to leverage best practices from the other entities.
- The separation between the Governor and the Tax Commission is a positive move. This will create an agency that is not obligated to carry out the orders of the Executive Branch.

Cons

- Under the proposal, the Board of Equalization would directly administer Franchise Tax Board and Board of Equalization tax collection functions while acting as an independent appeals body. This is a conflict of interest and could violate the separation of powers principle.
- As proposed, the Governor does not have a key role in tax administration. This is not an appropriate decision since most

taxpayers hold the Governor accountable for tax policy and tax administration.

- There may be legal barriers to the creation of a tax commission.

Considerations

- The current tax appeals process in California is not a fair and impartial process. In order to rectify this, a State Tax Court, modeled after the U.S. Tax Court, should be created to hear appeals from actions by the new California Tax Commission.
- It is not clear if the Chief Audits Division will be comprised of auditors from the Franchise Tax Board, the Employment Development Department, and the Board of Equalization.
- Recommended that all tax collection functions be consolidated into a single body that would be governed by a board of elected officials.
- The creation of an integrated agency that consolidates income, franchise, sales/use, employment, property, and estate taxing agencies under the umbrella of a Department of Revenue should be considered. This would streamline the administrative costs and depoliticize the taxing agencies.
- The consolidation of the California Tax Credit Allocation Committee and the California Debt Allocation Committee should be considered.
- It is recommended that Vehicle Licensing Fees be collected outside of the new Tax Commission. These fees are required at the time of renewal for a vehicle in combination with other fees, which are used to support that vehicle's registration process.
- The California Tax Commission should not create a tax court based on the following reasons. First, there is no direct relationship between tax courts and tax fairness. Other states in the nation with tax courts are facing difficulties. Second, there could be possible California constitutional issues (Article 6, Section 10), where it states that the Superior Court should have original jurisdiction over tax issues. Third, this system would not allow accountants to represent their clients on tax disputes.
- It is recommended that the consolidation of the Information Technology functions of the Board of Equalization, Franchise Tax Board, Department of Motor Vehicles, and Employment Development Department also be considered.
- The reputation of California's taxation and collection system has an impact on attracting business to the state. It is important that the

California Tax Commission actively address the state's reputation for treating corporate tax payers unfairly.

- The accountability achieved by the Board of Equalization through the elected board members should not be diminished. It is important that the new Tax Commission retain the accessibility, availability, and ability to adjudicate tax policy in the same manner.

ADDITIONAL INFORMATION

Please refer to "Boards and Commissions" in this chapter for additional information and public comment on the Franchise Tax Board.

OTHER ORGANIZATIONAL ELEMENTS

ISSUE

The Department of Food and Agriculture, Department of Veterans Affairs, the California Service Corps, and the Department of Correctional Services are additional entities included in the organizational framework.

DEPARTMENT OF FOOD AND AGRICULTURE

The Department of Food and Agriculture is the model of a successful, vertically integrated, customer focused, and mission driven department. In order to fully capitalize on the effectiveness of the Department of Food and Agriculture, modest changes are necessary.

In order to better align the functions related to the Department of Food and Agriculture, the following proposals will be implemented:

- *To improve efficient delivery of service and bolster public protection against food borne illness, vital components under food safety programs in the Department of Health Services will be transferred.*
- *The expanded mission of the Department of Food and Agriculture's Division of Weights and Measurement will be transferred to the state agency responsible for consumer protection.*
- *To refocus government on essential functions and to redirect functions to cooperative public-private ventures, the 54 District Agricultural Associations and the Department of Food and Agriculture's Commodity Boards will be transformed into public benefit corporations.*

PUBLIC COMMENT

21 comments were received for the recommendations in this section. 11 comments expressed support. 7 comments expressed opposition. 3 comments were neutral.

Pros

- This proposal will optimize the ability of state agencies and the private sector to adapt to new technologies and best management practices.
- The recommendation to devolve fairs to the county level as public benefit corporations will benefit local communities.
- Transforming the Department of Food and Agriculture's Commodity Boards is a positive step.

Cons

- Reorganizing the 54 District Agricultural Associations will not lead to greater efficiency or increase the level of benefit for the local community.
- The Division of Measurement Standards should remain under the administration of the Department of Food and Agriculture.

Considerations

- The California Department of Food and Agriculture plays a significant role in the Department of Health and Human Services, Department of Public Safety and Homeland Security, the Department of Environmental Protection, and the Department of Natural Resources. These roles and how they will be affected by the proposal should be more explicitly addressed.
- It will be beneficial to have all department Secretaries consult with the Secretary of Agriculture on policy formations that affect agriculture.
- The Division of Inspection Services is vital to fulfilling the Department of Food and Agriculture's mission to assure food safety and production standards. Further discussion and negotiations regarding the status of the Division of Inspection Services is needed.
- The Department of Food and Agriculture should continue to have a leadership role in California's network of fairs.

ADDITIONAL INFORMATION

Please refer to "RES 28: Reorganize the 54 District Agricultural Associations and the California State Exposition and Fair as a Public Entity," and "RES 29: Reorganize California's Commodity Boards as Public Corporations" in Chapter 6 for additional information and public comment.

DEPARTMENT OF VETERANS AFFAIRS

The Department of Veterans Affairs will retain its current structure and functions.

The following responsibility will be transferred to the Department of Veterans Affairs:

- *Responsibility for approving educational programs for veterans currently administered by the Bureau of Private Postsecondary and Vocational Education.*

PUBLIC COMMENT

1 comment was submitted and expressed opposition to the recommendations in this section. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- No testimony submitted.

Considerations

- It is not clear why it is necessary to have a Department of Veterans Affairs. The unique functions of the department need to be explained.

CALIFORNIA SERVICE CORPS

Community service is a core value of the people of California, but recent trends show a decline in the number of people volunteering their time. Currently, there are four key service and volunteer programs including the Governor's Office of Service and Volunteerism, the California Conservation Corps in the Resources Agency, the Mentoring Program in the Health and Human Services Agency, and the Arts Council. These independent service and volunteer programs will be consolidated into an integrated California Service Corps.

PUBLIC COMMENT

14 comments were received for the recommendations in this section. No comments expressed support. 11 comments expressed opposition. 3 comments were neutral.

Pros

- No testimony submitted.

Cons

- The California Arts Council should not be located in the California Service Corps. This move may diminish the positive impacts of the

Arts Council. For example, the California Summer School for the Arts program is essential in providing students a forum where they can learn how to think creatively and network with other artists in the state. In addition, the program provides opportunities for economically, culturally, and linguistically challenged students. This important program requires dedicated funding that may be lost in the proposed structure.

Considerations

- It is recommended that state money slated for allocation to the California Conservation Corps not be reallocated, regardless of donations received. The donations received should be reinvested into the California Conservation Corps in order to increase membership and the length of time citizens participate in the corps. For example, the donations could be used to provide extra compensation for individuals who pursue a leadership role in the corps. This would encourage corps members to be more responsible and provide an incentive to stay with the program.
- The California Conservation Corps should continue to be an entrepreneurial entity that contracts out to existing state departments.
- The California Arts Council provides leadership in promoting art and culture in California. The recommendation to place the council and other agencies serving the artistic, economic, and cultural needs of California within a single department should be considered. By doing this, California would be able to create a more cohesive arts and culture agenda.
- The arts should be recognized as a major industry in the State of California. To this end, the California Arts Council should be included with other businesses in the state.

DEPARTMENT OF CORRECTIONAL SERVICES

The Corrections Independent Review Panel recommended the realignment of youth and adult correctional programs into a Department of Correctional Services. Please refer to Chapter 5 for detailed information and public comment on the findings of the Independent Review Panel.

Boards and Commissions

The use of boards and commissions first became popular as part of the Progressive movement of the late 19th century. Skeptical of elected officials, the Progressives worked toward creating a third layer between politicians and the public. The Progressives envisioned this third layer to be comprised of boards and commissions that exercised their jurisdiction over major sectors of state government.

Over time, the needs and requirements for certain boards and commissions have evolved and while some may still be necessary, others no longer serve the best interest of the state or the public. With this in mind, the CPR proposed the elimination of 117 boards and commission, whose functions were either no longer needed or could be transferred to another state entity. The following section includes commentary from the public's perspective on the proposed restructuring.

Commerce and Consumer Protection

Architects Board and Landscape Architects Technical Committee

ISSUE

The regulation of architecture and the establishment of regulations for examination and licensing should be performed by the Commercial Licensing Division of the Department of Commerce and Consumer Protection. Independent reviews of appeals should be performed by administrative law judges with the Office of Management and Budget. The resulting recommended decisions should be affirmed or rejected by the Secretary of the Department of Commerce and Consumer Protection.

PUBLIC COMMENT

All 6 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Shifting regulatory authority to a larger division may affect the delivery of services.

- Minimal cost savings will be realized because the board is funded through architectural licensing fees.
- The board and technical committee also accept complaints regarding design, construction work, and access issues. This function could be lost if the board and technical committee are eliminated.

Considerations

- The technical expertise necessary to adjudicate appeals efficiently and effectively may be lost in the more general Office of Management and Budget.
- It is unclear where customers will be able to express their grievances in the proposed reorganization.

Board of Barbering and Cosmetology

ISSUE

The Board of Barbering and Cosmetology is not needed to regulate the barbering and cosmetology professions. The licensing functions should be performed by the Division of Commercial Licensing within the new Department of Commerce and Consumer Protection. Independent reviews of appeals should be performed by administrative law judges within the Office of Management and Budget. The resulting recommended decisions should be affirmed or rejected by the Secretary of the Department of Commerce and Consumer Protection.

PUBLIC COMMENT

All 5 comments received support this recommendation. No opposing or neutral comments were received.

Pros

- This board has been unresponsive to industry needs. Shifting the licensing function to the Division of Commercial Licensing will lead to greater efficiency.

Cons

- No testimony submitted.

Considerations

- Due to the ineffectiveness of the current board, the licensing exam may need to be reviewed and updated.

Board of Registration for Professional Engineers and Land Surveyors

ISSUE

The Board of Registration for Professional Engineers and Land Surveyors is not needed to perform the program's licensing and regulatory activities. The functions should be performed by the Division of Commercial Licensing within the new Department of Commerce and Consumer Protection. Appeals should be heard by administrative law judges within the Office of Management and Budget. The resulting recommended decisions should be affirmed or rejected by the Secretary of the Department of Commerce and Consumer Protection.

PUBLIC COMMENT

All 6 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The board serves the public interest by providing oversight for complaints regarding incompetence and negligence.
- The board ensures that engineers and surveyors perform job functions in accordance with state law.
- The board provides resources to consumers to help them identify licensed practitioners, file complaints, or participate in board activities. It is not clear in the proposed move where consumers can go to access these services.

Considerations

- The board represents a specialized profession that requires technical training and skill to provide effective and accurate regulation. How persons with this expertise will be involved in the proposed reorganization is unclear.
- Reorganization under the new Division of Commercial Licensing may have legal implications with respect to the tort system.
- The public resource, input, and oversight functions of this board are not addressed in the proposed reorganization.

- The current licensing process for applicants is fair and efficient. In addition, the majority of licensure exams are national exams prepared by the National Council of Examiners for Engineering and Surveying.

Bureau of Hearing Aid Dispensers Advisory Committee

ISSUE

Responsibilities for the regulation of hearing aid dispensers should be transferred to the Department of Commerce and Consumer Protection. The advisory committee should be eliminated. The Secretary can appoint an ad hoc advisory committee if one is needed.

PUBLIC COMMENT

All 2 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Eliminating this board will hinder individuals with hearing loss from obtaining assistance and providing public input on the regulation of hearing aid dispensers.

Considerations

- No testimony submitted.

California Horse Racing Board

ISSUE

The California Horse Racing Board is not necessary to the performance of the program's regulatory and licensing functions. The operations should be performed by the Commercial Licensing Division of the new Department of Commerce and Consumer Protection.

PUBLIC COMMENT

1 comment was received in support of this recommendation. No opposing or neutral comments were received.

Pros

- This board has been unresponsive to customer needs. Shifting the regulatory functions to the new Department of Commerce and Consumer Protection should alleviate this problem.

Cons

- No testimony submitted.

Considerations

- No testimony submitted.

Contractors State Licensing Board*ISSUE*

Conducting professional licensing and responding to consumer complaints does not require a separate Contractors State Licensing Board. The functions should be performed by the Division of Commercial Licensing within the new Department of Commerce and Consumer Protection. Appeals should be heard by administrative law judges within the Office of Management and Budget, whose recommended decisions should be approved or rejected by the Secretary of the Department of Commerce and Consumer Protection. This reorganization will promote “chain of command” accountability for the handling of this regulatory program, which has been plagued by license application backlogs and public complaints about the equality and reliability of contractors.

PUBLIC COMMENT

7 comments were received for this recommendation. 1 comment expressed support. 6 comments expressed opposition.

Pros

- This board has neither represented the public interest nor provided efficient and accurate service. The proposed reorganization will create a more transparent system.

Cons

- Current application backlogs are due to the hiring freeze.
- Reorganization under the new Division of Commercial Licensing and the Office of Management and Budget will require knowledgeable staff that has experience with the contracting profession.

- Monetary gains from elimination of this board may be minimal as it is funded by licensing fees.

Considerations

- The technical expertise necessary for fair adjudication of construction matters may be lost if the board's functions are incorporated into the more general appeals process within the Office of Management and Budget.

Court Reporters Board

ISSUE

The Court Reporters Board is not necessary to the performance of the program's regulatory functions. The operations should be performed by the commercial Licensing Division of the new Department of Commerce and Consumer Protection. Independent reviews of appeals should be performed by administrative law judges within the Office of Management and Budget. The resulting recommended decisions should be affirmed or rejected by the Secretary of the Department of Commerce and Consumer Protection.

PUBLIC COMMENT

1 comment was received in support of this recommendation. No opposing or neutral comments were received.

Pros

- This board is unnecessary for the management of state licenses.

Cons

- No testimony submitted.

Considerations

- California is one of the few states with a Court Reporters Board. Many states use the National Court Reporter Association, which conducts testing in all states. It is recommended that using this association for testing may result in cost savings.

New Motor Vehicle Board

ISSUE

The dispute resolution function of the New Motor Vehicle Board should be handled by the parties directly. There is no need for a governmental body to take on this work. Furthermore, consumer compliant mediation should be a core function of the Office of Consumer Protection within the new Department of Commerce and Consumer Protection.

PUBLIC COMMENT

All 4 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- This board was created to regulate the relationship between multi-national auto manufacturers and local car dealers and equalize the bargaining power of these two groups. Eliminating this board could have a negative impact on small/family-owned dealers in the state.
- The board's appellate function and consumer arbitration function may not be adequately addressed if privatized.
- This board ensures that dealers fulfill their obligations, provide adequate service, and guarantee necessary provisions for consumers. These functions are not sufficiently addressed in the proposed structure.

Considerations

- There may be constitutional impediments to delegating the arbitration function of the board to private arbitrators. It could possibly violate the separation of powers.

Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun

ISSUE

The licensing function of bar pilots should be performed within the Division of Commercial Licensing in the Department of Commerce and Consumer Protection. The independent review of appeals should be performed by administrative law judges within the Office of Management and Budget. Decisions on these hearings should be rendered by the Secretary of the new Department of Commerce and Consumer Protection. It should also be noted that this function is a prime candidate for delegation to a local entity given the geographic limitations of the board's focus.

PUBLIC COMMENT

All 9 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The board creates a system of compulsory pilotage that places the navigation of ships in the hands of highly trained and experienced state licensed pilots. This is an important function since ships entering and leaving ports are at their greatest risk of groundings and collisions and require management by skilled professionals.
- The diversity of the board's functions would be difficult to replicate within the structure of the Division of Commercial Licensing and the Office of Management and Budget.
- Minimal cost savings would be realized as the board is paid entirely by user fees.
- The board has the authority to act as a mediator on issues where differences may exist between pilot and shipping interests.
- The board serves as a forum for businesses to exchange ideas and build relationships. This function of the board would be lost in the proposed move.

Board of Pilot Commissioners for the Bays of SF, etc.

"Since the formation of the Board of Pilot Commissioners, waterborne navigation and maritime safety in northern California waters...has become a standard for the world wide maritime industry to follow."

Captain William Greig
Member
San Francisco Bar Pilots
Written Testimony

Considerations

- The rulemaking and regulatory functions provided by the board may not be adequately addressed within the Division of Commercial Licensing or the Office of Management and Budget.
- The collaborative functions provided by the board with other state and federal agencies responsible for the protection of the environment and with the oil and hazardous chemical shipping industry may be affected.
- The board's input on the pilot training program may be affected.

Service Agency Advisory Committee*ISSUE*

The Service Agency Advisory Committee was created and appointed by the secretary of the Department of Food and Agriculture to assist the Division of Measurement and Standards. The Measurements and Standards function is transferring to the Department of Commerce and Consumer Protection. As such, that secretary can appoint an ad hoc advisory committee as the need arises.

PUBLIC COMMENT

1 comment was received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The Division of Measurement and Standards should remain in the Department of Food and Agriculture because the primary functions of the division are agriculturally related.

Considerations

- No testimony submitted.

Speech-Language Pathology and Audiology Board

ISSUE

The Speech-Language Pathology and Audiology Board is not needed to carry out professional licensing for speech-language pathologists and audiologists. These functions should be performed by the Division of Commercial Licensing within the new Department of Commerce and Consumer Protection.

PUBLIC COMMENT

3 comments were received for this recommendation. No comments expressed support. 2 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- No testimony submitted.

Considerations

- The licensing functions for speech-language pathologists and audiologists should be transferred to the Department of Health and Human Services, where licensing for similar allied health care professionals is completed.

Labor and Economic Development

Agricultural Cooperative Bargaining Advisory Committee

ISSUE

This is purely an advisory body. The Secretary of the Department of Food and Agriculture can appoint an ad hoc committee to assist if the need arises.

PUBLIC COMMENT

1 comment was received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- This committee plays an important role in commodity pricing and terms of delivery.

Considerations

- No testimony submitted.

Apprenticeship Council

ISSUE

The Apprenticeship Council, which has been in place since the 1930s, is no longer needed to perform regulatory and advisory responsibilities. These activities should be performed by the Division of Workforce Development within the new Department of Labor and Economic Development. The Secretary can appoint ad hoc advisory committees if the need arises.

PUBLIC COMMENT

1 comment was received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The council has functions outside of regulatory and advisory responsibilities. This body provides opportunities for individuals in the workforce to be gainfully employed while learning a new trade or skill.

Considerations

- No testimony submitted.

Commission for Economic Development

ISSUE

The Commission for Economic Development was inactive for nearly ten years. New appointments were made in August 1993 and the commission has held three meetings and issued three reports since that time. Despite this recent activity, it is duplicative of the Economic Strategy Panel, which addresses the same issues and should continue within the new Department of Labor and Economic Development.

PUBLIC COMMENT

1 comment was received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The six advisory committees within the commission represent top industries in the state. The information and guidance these committees provide on initiatives to improve California's economy will be lost with the elimination of this commission.
- The commission is currently engaged in developing international outreach programs, such as the California/Taiwan Business Forum, to promote trade with California.
- The progress made by the commission in the past two years garnered national recognition by the chair of the Federal Reserve Bank.

Considerations

- The new programs and partnerships developed by this commission are a valuable asset. If elimination of the commission occurs, these new programs and partnerships should be incorporated into the new Department of Labor and Economic Development.

Commission on Health and Safety and Workers' Compensation

ISSUE

The Commission on Health and Safety and Workers' Compensation is responsible for conducting a continuing examination of the Workers' Compensation system and related programs to prevent on-the-job injuries and illnesses. The Commission frequently contracts out with private non-profit research organizations to meet this requirement. The Secretary of the Department of Labor and Economic Development can continue to use such organizations as the need arises.

PUBLIC COMMENT

35 comments were received for this recommendation. No comments expressed support. 33 comments expressed opposition. 2 comments were neutral.

Pros

- No testimony submitted.

Cons

- The commission members, both employers and laborers, have been important in determining the cause of problems in the workers' compensation system and recommending changes for improvement.
- The commission performs valuable research and policy analysis, which creates the framework for discussions regarding workers' compensation reforms and identifies key cost drivers.
- The commission played an important role in establishing advisory rates for workers' compensation in California. Without the assistance of this commission, consensus on these reforms may not have been reached.
- The commission is the only independent entity established to evaluate workers' compensation.
- This commission has been nationally and internationally recognized as one of the most effective labor and management organizations.

Considerations

- No testimony submitted.

Committee for the Employment of People with Disabilities

ISSUE

The functions of promoting the employment of people with disabilities should be carried out by the Division of Workforce Development within the new Department of Labor and Economic Development. By delegating this goal to a separate panel, the Secretary will serve as the individual directly accountable for ensuring opportunities and full access to employment for individuals with disabilities. The Secretary can appoint an ad hoc advisory committee as needed to assist in this effort but should serve as the individual directly accountable for ensuring opportunities and full access to employment by individuals with disabilities.

PUBLIC COMMENT

All 63 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The committee has evolved into the designated centralized resource for individuals with disabilities to learn about advocacy, receive information about disability employment services, and provide input on policy development.
- The committee serves as the central resource for Mayors' Committees throughout the state. Elimination of this committee may affect communication and coordination between the Mayors' Committees.
- The Youth Leadership Forum, one of the programs supported by the committee, is an important resource for youth with disabilities to acquire leadership skills and network with other individuals with disabilities.
- The Media Access Office, one of the programs supported by the committee, provides resources, training, and audition information for performers with disabilities.
- Eliminating the committee could result in non-compliance with AB 925, which states the requirements and functions of the Governor's Committee for the Employment of People with Disabilities.

- The committee provides opportunities to promote diversity among individuals with disabilities by co-sponsoring conferences such as the First and Second Regional Conference on Asians and Pacific Islanders with Disabilities.
- The committee provides a forum for oversight and collaboration for the disabled public to provide input on state and local services.

Considerations

- Aligning the committee within the larger framework of the new Department of Labor and Economic Development may affect the delivery of services to individuals with disabilities.
- The collaborative functions provided by the committee for state and local services may be hindered through the intermittent use of ad hoc consultations.
- Consideration should be given to placing the Governor’s Committee for the Employment of People with Disabilities under the California Workforce Investment Board.

Employment Training Panel

“ETP promotes high-quality job training by encouraging business and labor representatives to plan training programs together and by targeting training dollars at training programs that lead to good-quality jobs.”

David A. Rosenfeld
Partner
Weinberg, Roger & Rosenfeld
Written Testimony

Employment Training Panel

ISSUE

The Employment Training Panel is not needed to perform job forecasting, training, and advisory responsibilities. Many of its programs are duplicative of programs in other state agencies. The functions of the panel should be carried out within the new Department of Labor and Economic Development and the Secretary can appoint ad hoc advisory commissions as the need arises.

PUBLIC COMMENT

All 8 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The functions of the panel may have been inaccurately presented. The panel does not provide job forecasting, nor does it have advisory responsibilities. The training function of the program primarily focuses on approving/rejecting funding for training programs.

- The panel works with many industries to develop and fund training programs to improve the skills of current employees. In addition, the panel funds training programs for individuals on Unemployment Insurance to expand their opportunities for joining the workforce.

Considerations

- A more detailed explanation of how the funding functions of this panel will be carried out in the proposed structure is necessary.

Fair Employment and Housing Commission

ISSUE

All of the Fair Employment and Housing Commission's functions related to preventing discrimination in housing and employment will be performed by the Division of Workplace Protection within the new Department of Commerce and Consumer Protection. Hearings on these matters should be conducted by the Office of Appeals in the Department of Labor and Economic Development. The recommended decisions resulting from these hearings should be approved or rejected by the Secretary of the Department of Labor and Economic Development.

PUBLIC COMMENT

6 comments were received for this recommendation. No comments expressed support. 5 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- Disbanding this board could limit public input and oversight on issues related to fair housing and employment.

Considerations

- More implementation details are needed to assess the effectiveness of the new Division of Workplace Protection and how the division will report to the Secretary of the Department of Labor and Economic Development.

Industrial Welfare Commission

ISSUE

The Industrial Welfare Commission is not needed to perform the commission's primary activity, which is to ensure that wages and working conditions are appropriate to the type of work conducted. This charge should be performed by the Workforce Protection Division of the new Department of Labor and Economic Development.

PUBLIC COMMENT

3 comments were received for this recommendation. No comments expressed support. 2 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- There is not enough detail on how the new Workforce Protection Division will perform the functions of the Industrial Welfare Commission to adequately assess this proposed move.
- The important function of supervising wages and working conditions may be diluted in the larger Workforce Protection Division.
- Elimination of the commission will require amending Section 1177 of the California Labor Code which states, "(e)ach order of the (Industrial Welfare) commission shall be concurred in by a majority of the commissioners." Consequently, in the proposed move the secretary of the new Department of Labor and Economic Development may be able to amend or repeal wage orders without complying with the Administrative Procedures Act or obtaining an agreement from the commission. This will put an inordinate amount of power in the secretary's office.

Considerations

- The elimination of the Industrial Welfare Commission may require amending California Labor Code Part 4, Chapter 2, Sections 1171–1205, which expressly states the functions of this commission.

Occupational Safety and Health Appeals Board

ISSUE

Appeals of occupational safety decisions will be heard by administrative law judges located in the Office of Appeals within the Department of Labor and Economic Development. Recommended decisions arising from these hearings should be approved or rejected by the Secretary of the Department of Labor and Economic Development.

PUBLIC COMMENT

All 9 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The appeals board provides the opportunity for independent review, which ensures the fairness of the appeals system by employing adjudicators who have technical expertise in workplace safety.
- Elimination of this board may affect federal funding for the California State Occupational Health and Safety plan.
- The decisionmaking functions of the board will be transferred from open forums to a less transparent venue, thus diminishing the integrity of due process.

Considerations

- No testimony submitted.

Occupational Safety and Health Standards Board

ISSUE

Functions related to standard-setting for the state's occupational safety and health program should be performed by the Division of Workplace Protection within the Department of Labor and Economic Development.

PUBLIC COMMENT

All 11 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The effectiveness of setting standards for the state's occupational safety and health program may be negatively impacted if the standards setting, appeals process, and enforcement functions are combined.
- The decisionmaking functions of the board will shift from public forums to private offices thus diminishing the integrity of due process. Consequently, the public could be denied meaningful access to decisionmakers.
- There seems to be little value in replacing an independent board with a single decisionmaker.

Considerations

- The proposed structure does not adequately address how both labor and management will be represented in the development of safety standards.
- Further explanation on how the rulemaking and rule-enforcing functions of the board will retain autonomy and impartiality in the proposed framework is required to adequately assess the proposed move.

Rehabilitation Appeals Board

ISSUE

All appeal hearings related to rehabilitation cases currently heard by the Rehabilitation Appeals Board should be conducted by the Office of Appeals within the newly created Department of Labor and Economic Development. Recommended decisions arising from these hearings should be approved or rejected by the Secretary of the Department of Labor and Economic Development.

PUBLIC COMMENT

2 comments were received for this recommendation. 1 comment expressed support. 1 comment expressed opposition.

Pros

- No testimony submitted.

Cons

- Elimination of this board may cause individuals with disabilities to lose their opportunity to appeal cases before a group of their peers.

Considerations

- No testimony submitted.

Unemployment Insurance Appeals Board

ISSUE

All appeal functions should continue in the Office of Appeals within the Department of Labor and Economic Development. Appeals should be heard by administrative law judges there and the Secretary will render decisions on the ALJ recommendations.

PUBLIC COMMENT

24 comments were received for this recommendation. 2 comments expressed support. 19 comments expressed opposition. 3 comments were neutral.

Pros

- It is not necessary to have a separate board to oversee unemployment insurance appeals.

Cons

- Having a non-independent appeals process may affect an individual's right to an impartial hearing if agency employees are both named in the appeal and decide upon the appeal.
- The current structure provides an efficient and effective appeals process. The high volume of cases at the Unemployment Insurance Appeals Board are heard and decided upon in a timely manner.
- Cost savings will be minimal as the agency receives federal funding. Moreover, this funding may be jeopardized if the board is eliminated.

- The decisionmaking functions of the board will be transferred from open forums to a less transparent venue, potentially reducing public accountability.

Considerations

- There is not enough detail on the implementation of this merger. The efficiency of the Office of Appeals and administrative law judges in handling workers' compensation issues need to be assessed prior to implementing this recommendation.
- It is unclear how areas of specialization will be effectively utilized in the proposed structure. Efficient and accurate decisions will require administrative law judges with specialization in unemployment insurance cases.

Workers' Compensation Appeals Board

ISSUE

All appeal functions should continue in the Office of Appeals within the Department of Labor and Economic Development. Appeals will be heard by administrative law judges and the Secretary will render decisions on the ALJ recommendations.

PUBLIC COMMENT

7 comments were received for this recommendation. No comments expressed support. 6 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- Workers' compensation adjudication resolves disputes between private parties, whereas administrative adjudication resolves disputes between a private party and a government agency. As such, the new combined agency would be required to accommodate both types of litigation.
- Workers' compensation law is a very complex legal specialization. Employing judges unaccustomed to resolving workers' compensation issues may result in the delay of benefits administration and/or diminished customer service.

- The elimination of this board would place decisionmaking authority in the hands of individuals who may not be well informed about the complexities of workers' compensation law. If judges who do not adequately understand the law are allowed to make decisions on appeals, due process protections for litigants may be affected since due process requires that government be conducted according to the rule of law.

Considerations

- It is recommended that the effect on user funding currently used to administer the workers' compensation system should be examined.
- Workers' compensation appeals and administrative appeals use different procedural frameworks. How these two frameworks will be merged needs to be explained in greater detail.

Environment and Natural Resources

Air Resources Board

ISSUE

The Air Resources Board is not needed to oversee air quality regulatory functions. The operations should be performed within the Division of Air Quality in the new Department of Environmental Protection. The Secretary of the Department of Environmental Protection can appoint an ad hoc advisory committee should the need arise.

PUBLIC COMMENT

54 comments were received for this recommendation. 3 comments expressed support. 46 comments expressed opposition. 5 comments were neutral.

Pros

- No testimony submitted.

Cons

- Elimination of the board may compromise scientific input and limit public debate concerning air resources issues.
- The Air Resources Board is a nationally recognized board that has proven itself to be an effective entity through the development of innovative solutions to air pollution problems.

Air Resources Board

"The success of the ARB programs, and their ability to work closely with local air districts, has consistently brought cleaner air to millions of Californians."

Larry Greene
President
California Air Pollution Control
Officers Association
Written Testimony

- The independence of the board is important to maintaining its consistent work on air pollution problems.

Considerations

- A more detailed explanation of the benefits gained by eliminating this board and locating authority at the executive level should be developed to alleviate concerns regarding public access.
- If the proposed recommendation is accepted, it is recommended that the Division of Air Quality maintain the level of expertise and knowledge in the subject area that the Air Resources Board has attained.
- The recommendation would eliminate publicly known access points to decisionmakers which requires a discussion on how local agencies and businesses will provide input into policy making and implementation.
- As an alternative, individual air pollution control districts could be eliminated and this function could be consolidated with the board. This structure may be more effective in standardizing rules and regulations across the state.

Board of Geologists and Geophysicists

ISSUE

Transfer the responsibilities to the existing Board of Mining and Geology, which should be placed in the Division of Land Management in the new Department of Natural Resources. The consolidation will save money through economies of scale and consolidation of overlapping areas of responsibility.

PUBLIC COMMENT

5 comments were received for this recommendation. No comments expressed support. 2 comments expressed opposition. 3 comments were neutral.

Pros

- No testimony submitted.

Cons

- No testimony submitted.

Considerations

- The recommendation to eliminate this board does not provide enough information to adequately assess the advantages and/or disadvantages of this move.

Boating and Waterways Commission

ISSUE

Primary functions of the Boating and Waterways Commission, including approval of various grants and loans, should be performed by the Division of Boating and Waterways within the new Department of Infrastructure. The Secretary can appoint ad hoc advisory committees as the need arises.

PUBLIC COMMENT

8 comments were received for this recommendation. No comments expressed support. 7 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- The commission provides a forum for public input, oversight, and approval on the use of public funds on proposed projects. Elimination of this commission could take away accountability on the use of these funds.
- Minimal cost savings will be realized since the commission is funded through taxes and fees on boaters.
- The commission balances input on the use and appropriation of funds between small and large jurisdictions.

Considerations

- Shifting the responsibility of the commission to the Infrastructure Department may be promising. There is concern, however, that these functions will be performed outside the public eye. Consequently, there should be a structure in place that provides for consistent public input and oversight.

Board of Forestry and Fire Protection

ISSUE

The Board of Forestry and Fire Protection is not needed for fire prevention, firefighting, or forestry management. All operations related to fire protection should be performed by the Division of Fire and Emergency Management within the new Department of Public Safety and Homeland Security. All functions related to forestry management practices should be performed by the new Department of Natural Resources, including those functions performed by the board. The secretaries of these departments can appoint ad hoc advisory committees as the need arises. Appeals currently heard by this board should be conducted by administrative law judges within the Office of Management and Budget. The Secretary of Natural Resources should approve or reject the ALJ recommended decisions.

PUBLIC COMMENT

23 comments were received for this recommendation. No comments expressed support. 22 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- The current independent structure of the board allows for public participation and oversight. In addition, the board provides an avenue for communication about the decisionmaking process, thus facilitating transparency.
- The board's institutional knowledge and insight provides for efficient, consistent, and stable management and protection of California's forests. This knowledge will be diluted if the board's responsibilities are split between two separate departments.

Considerations

- An alternative to elimination would be to expand the board's mission and utilize the board's resources for issues beyond forestry.
- Employing ad hoc advisory committees may result in inconsistent policy recommendations. Moreover, ad hoc advisory committees may lack the authority and independence necessary to review and resolve issues.
- The proposal may affect codes, statues, and regulations linked to the creation of this board.

Colorado River Board

ISSUE

Negotiations and issues related to California's "fair share" of Colorado River water should be handled directly by the Governor's Office with assistance from the Secretary of Natural Resources.

PUBLIC COMMENT

11 comments were received for this recommendation. No comments expressed support. 10 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- The state does not hold contracts for the use of Colorado River water and power. As a result, elimination of the board would leave those entities that hold water and power contracts to deal with the federal government on an individual basis. This may result in inconsistent representation of the state and its entitlement holders.
- Minimal cost savings would result from elimination of the Colorado River Board as funding comes directly from the six water and power agencies represented by the board.
- The Colorado River Board's staff has background and expertise regarding the Colorado River. The staff understands the diversity of issues that require participation by entities holding contracts with the federal government and California for Colorado River water and power. Furthermore, the board provides the coordination necessary to promote efficiency and consistent representation of California's positions among these various entities.

Considerations

- The Colorado River Board is currently involved with the Quantifications Settlement Agreement (QSA) and served as an important representative in interstate discussions on the prerequisites of the QSA. Replacing this board at this juncture may affect the quality of representation in future discussions.
- The Colorado River Board enhances the bargaining power of individual water using agencies in contract negotiation with the federal

government. Since other states have state-to-federal contracts, this function of the board needs to be addressed in the proposed reorganization.

Delta Protection Commission

ISSUE

The Delta Protection Commission should be eliminated. A 2004-2005 Legislative Analyst's Office (LAO) budget analysis documented that fully one-half of the Commission's non-administrative time was spent monitoring CalFED and concluded that the Commission had completed its core functions and that much of its remaining work was duplicative of the Bay-Delta Authority. The Commission is also authorized to hear land use appeals, but in recent years there have been none. The remaining responsibilities will be performed within the new Department of Natural Resources with cooperation from the new Department of Environmental Protection and Department of Infrastructure.

PUBLIC COMMENT

1 comment was received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The Delta Protection Commission complements, not duplicates, the functions of the Bay-Delta Authority.

Considerations

- No testimony submitted.

Heritage Preservation Commission

ISSUE

All functions related to historical and cultural preservation should be conducted by the Division of Parks, History, and Culture within the Department of Natural Resources. Should the need arise, the Secretary may appoint an ad hoc advisory committee.

PUBLIC COMMENT

2 comments were received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Ad hoc committees may not sufficiently address the issues the commission currently has under review.
- Public access and participation may be diminished in the proposed structure.

Considerations

- No testimony submitted.

Historical Resources Commission

ISSUE

The Historical Resources Commission's responsibilities related to the listing of historic sites, inventorying of such sites, and developing policies to ensure their preservation and rehabilitation should be transferred to the Division of Parks, History, and Culture within the Department of Natural Resources. Should the need arise, the Secretary may appoint an ad hoc advisory committee to deal with such matters as evaluating sites for listing on the National Register of Historic Places, the California Register of Historical Resources, and the California Historical Landmarks and California Points of Historical Interest registration programs.

PUBLIC COMMENT

139 comments were received for this recommendation. No comments expressed support. 138 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- Elimination of this commission may jeopardize archaeological resources and, consequently, research opportunities for academicians.

- The commission serves as a link between county and city historic preservation commissions and boards. Elimination of this commission may adversely affect the functionality of these local commissions and boards.
- The elimination of the commission may result in non-compliance with Section 101[b] of the National Historic Preservation Act (NHPA), which states the requirements for the designation of a State Historic Preservation Officer and a state review board. Failure to comply may result in loss of funding received by the state for the activities specified in the NHPA.
- Programs and support currently administered by the commission, such as the California Main Street Program, Certified Local Government Program, and the Office of Historic Preservation, are not discussed in the review. These programs are an important component of the commission that encourage private investment in the state and generate new businesses and jobs for the state. As such, it is important that plans for these functions of the commission are adequately addressed in the new organizational structure.

Considerations

- The process for review and approval of federal tax credits for preservation projects needs to be formulated and addressed. It is not clear how this function will be handled in the new structure.
- The role cultural resources play in cultural tourism in California is important. How these resources and the income they generate could be affected by the proposed move should be considered.

Integrated Waste Management Board

ISSUE

The Integrated Waste Management Board should be eliminated because it is not needed to conduct the responsibilities of helping managing California's solid waste stream. This function should be carried out by the new Department of Environmental Protection. Current activities of the board are either duplicative of local planning agencies or have suffered because of the fragmented and unaccountable nature of the Board.

PUBLIC COMMENT

8 comments were received for this recommendation. 2 comments expressed support. 3 comments expressed opposition. 3 comments were neutral.

Pros

- The board should be eliminated and greater authority should be delegated to local city and county agencies to fine and/or prosecute violations.

Cons

- Access for discussion and input on issues within the board’s jurisdiction may be limited to those individuals within the new Department of Environmental Protection. As such, public oversight may be diminished.

Considerations

- An alternative to elimination would be to restructure the board to include overseeing site remediation plans where there is a need for more open decisionmaking and improved public participation.
- The recommendation to include the Division of Recycling with the functions of the board should be expanded.
- Retaining the minimal budget and staff of the board to perform the board’s transferred functions in the new department may be useful.

Off-Highway Motor Vehicle Recreational Commission

ISSUE

The Off-Highway Motor Vehicle Recreation Commission should be eliminated because it is not needed to carry out responsibilities related to approval of Off-Road Vehicle use in public areas. These responsibilities should be conducted directly by the Department of Natural Resources.

PUBLIC COMMENT

2 comments were received for this recommendation. 1 comment expressed support. 1 comment expressed opposition.

Pros

- This commission should be eliminated as its utility in assisting the off-road vehicle enthusiasts is minimal.

Cons

- No testimony submitted.

Considerations

- No testimony submitted.

State Lands Commission

ISSUE

The State Lands Commission should be eliminated because it is duplicative of other functions within state government. The three primary responsibilities of the body should be transferred to more appropriate entities. Maritime facilities responsibilities should be transferred to the Department of Environmental Protection. Mineral leasing activities should be split. Mineral leasing activities related to energy production should be transferred to the Division of Energy within the California Infrastructure Department. Those related to non-energy commodities should be conducted by the Department of Natural Resources. The land management function of the State Lands Commission should also be split to more appropriately align with departmental activities. The Division of Land Management within the Department of Natural Resources should oversee the sovereign lands portion of the portfolio. School land management functions should be carried out by the Department of Infrastructure.

PUBLIC COMMENT

All 23 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Eliminating the commission would negatively affect public, applicant, and media access to decisions affecting public trust lands. Moreover, shifting responsibilities to several different departments will reduce the public's ability to hold those responsible for management of public trust lands accountable.
- The independence of the board is necessary for producing consistent and credible decisions on issues related to public trust lands.
- The board has assembled staff with highly specialized knowledge and experience that aids in the coordination of responsibilities for complex issues such as the San Joaquin River and tidelands. Division of responsibilities to three separate divisions may impair the coordination efforts currently in effect.

Considerations

- The recommendation lacks sufficient detail to adequately analyze the impact of eliminating this board and transferring the responsibilities to three separate divisions.

State Water Resources Control Board

ISSUE

The State Water Resources Control Board should be eliminated and replaced with one exempt officer appointed by the Governor. The primary responsibility of the bodies for promulgating water quality regulations, implementing water monitoring programs, issuing water discharge permits, and enforcing water quality regulations should be vested with the Division of Water Quality of the Department of Environmental Protection and its regional officers. Basin plans should be developed by members appointed on an ad hoc basis for six months, after which time, having completed the plan, the group will be disbanded.

PUBLIC COMMENT

58 comments were received for this recommendation. 2 comments expressed support. 50 comments expressed opposition. 6 comments were neutral.

Pros

- Elimination of this board would open up opportunities for businesses that have been hindered by the regulatory processes of the board.

Cons

- Specialized knowledge and experience would be lost if the board was incorporated by a larger agency.
- Elimination of this board will result in limited opportunity for public and scientific participation, input, and debate on issues regarding water quality issues. Centralized oversight for water quality issues may not be as responsive to community needs.
- Shifting responsibility for water quality regulation to a large department may stifle innovation and staff may not have the ability to handle contentious environmental issues.
- The proposal to use ad hoc committees to develop basin plans does not fit with the California Performance Review's goal to encourage efficiency. Good planning requires independence, authority, consistency, and technical expertise, which would be lost if this board is eliminated.

Considerations

- The Division of Water Quality should work toward improving cooperation and relations with those that are regulated.
- The board has a poor record of reviewing, completing, dispersing, and managing award contracts. The Department of Conservation should be considered an alternative location for the administration of award contracts given their excellent record on accuracy, timeliness, diligence, and communication throughout the grant process.
- While it is apparent that the current regulatory structure is inadequate, more details are necessary to fully understand the legal implications of this proposal. For example, it is unclear how the appeals process would be handled.
- An alternative recommendation is to reorganize the State Water Resources Control program so that regional water quality offices report directly to the state board and are accountable to the same policy principles of achieving water quality improvements and supply objectives.
- A proposal to create a consistent approach to water quality issues that can be employed statewide needs to be developed. For example, the use of flexible regulatory programs that promote the use of resources to solve pressing issues can be applied to various entities throughout the state.
- The permitting process needs to be addressed in the proposed structure. In order to create greater efficiency, it may be prudent to streamline facility permits that include air, land, and water issues. This change may encourage open communication between the regulatory body and entities seeking permits.

Regional Water Quality Control Boards

ISSUE

The Regional Water Quality Control Boards should be eliminated and replaced with nine exempt officers appointed by the Governor. The primary responsibility of the bodies for promulgating water quality regulations, implementing water monitoring programs, issuing water discharge permits, and enforcing water quality regulations should be vested with the Division of Water Quality of the Department of Environmental Protection and its regional officers. Basin plans should be developed by members appointed on an ad hoc basis for six months, after which time, having completed the plan, the group will be disbanded.

PUBLIC COMMENT

68 comments were received for this recommendation. 8 comments expressed support. 54 comments expressed opposition. 6 comments were neutral.

Pros

- Consolidating these boards will result in development of uniform policy to protect water quality. For example, streamlining the permitting process will promote greater consistency among regions.
- The boards do not provide the opportunity for due process and lack accountability. Transferring the functions of these boards to the Department of Environmental Protection will be an improvement of the current system.
- Elimination of these boards would streamline the regulatory process and open up opportunities for businesses that are mired in overregulation.
- The current structure lacks strong leadership and board members lack the knowledge and expertise to effectively resolve water quality issues. Shifting the responsibilities of the boards to the Department of Environmental Protection will alleviate these problems.

Cons

- Specialized knowledge and experience could be lost if the boards were incorporated by a larger agency.
- Elimination of these boards will result in limited opportunity for public and scientific participation, input, and debate on issues regarding local water quality issues. Centralized oversight for water quality issues may not be responsive to community needs.
- Shifting responsibility for water quality regulation to a large department may stifle innovation and staff may not have the ability to handle contentious environmental issues.
- The proposal to utilize ad hoc committees to develop basin plans does not fit with the California Performance Review's goal to encourage efficiency. Good planning requires independence, authority, consistency, and technical expertise, which would be lost if this board is eliminated.
- The quantity and diversity of regional water quality issues may not be effectively handled by a centralized department.

Considerations

- Explanation of how the new structure will account for regional needs should be developed. It is recommended that flexibility be maintained in order to use the most effective solutions on a case-by-case basis.
- While it is apparent that the current regulatory structure is inadequate, more details are necessary to fully understand the legal implications of this proposal. For example, it is unclear how the appeals process would be handled.
- Elimination of public oversight and involvement in regional boards requires a structure where regional offices are employed, to ensure a high level of government awareness and service within each region.
- Knowledge of agricultural needs and communication with agricultural communities should be a goal in the proposed reorganization.

Structural Pest Control Board

ISSUE

The Structural Pest Control Board is not needed to regulate the structural pest control industry. The operations should be performed by the new Department of Environmental Protection. Independent reviews of appeals should be performed by administrative law judges within the Office of Management and Budget. The resulting recommended decisions should be affirmed or rejected by the Secretary of the Department of Environmental Protection.

PUBLIC COMMENT

18 comments were received for this recommendation. 8 comments expressed support. 9 comments expressed opposition. 1 comment was neutral.

Pros

- The board's services are duplicated by county agricultural departments and should be eliminated. For example, the board relies on county agriculture departments for inspections and enforcement; chemical use reports are filed with the county; and pest control companies must register each year with the county where materials are applied.
- Eliminating this board and streamlining the Structural Pest Control Act would level the playing field for both consumers and the pest control businesses.

Cons

- The new structure does not account for the board's functions outside of regulation. For example, one of the board's primary functions is to handle complaints about wood-destroying organisms and pests, which is not dealt with in the report.
- Elimination of the board does not address the regulation of pest control measures that do not include the use of pesticides.
- The proposal may have negative effects on consumer protection. It is not clear how consumers will be able to pursue misidentification and substandard corrective repair issues. Moreover, it is not clear how the Department of Environmental Protection will handle the funds dedicated to consumer restitution currently negotiated by the board.

Considerations

- It is not clear how the high volume of consumer complaints and termite inspection reports will be handled in the proposed reorganization.
- The board may be better served if it is reorganized under the proposed Department of Commerce and Consumer Protection.
- An alternative to eliminating the board would be to reform the appointment structure.

Infrastructure

Alternative Energy and Advanced Transportation Financing Authority

ISSUE

The Alternative Energy and Advanced Transportation Financing Authority should be eliminated. The authority's responsibilities for financing facilities that use alternative sources of energy to reduce pollution should be transferred to the new Infrastructure Authority within California Infrastructure Department.

PUBLIC COMMENT

1 neutral comment was received for this recommendation. No supporting or opposing comments were received.

Pros

- No testimony submitted.

Cons

- The Governor proposed that this agency review financing proposals to accelerate hydrogen use in transportation. It is not clear whether the specialized expertise in energy and bond financing would exist to support these activities. Such expertise would be essential to the operation of the department.

Considerations

- No testimony submitted.

Board of Reclamation

ISSUE

All of the duties of the Board of Reclamation such as acquiring easements for flood control purposes and constructing bypasses and levees should be performed by the new Department of Infrastructure.

PUBLIC COMMENT

All 3 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The board is important to water management and water conservation planning.
- Flood control responsibilities overseen by the board should not be shifted to the Infrastructure Department. Rather, they should remain with the board in cooperation with the Infrastructure Department.

Considerations

- No testimony submitted.

Building Standards Commission

ISSUE

The Building Standards Commission should be eliminated because it is not needed to perform functions related to building standards. These responsibilities, including building standards code adoption, conflict resolution, and appeals should be transferred to the new Housing, Buildings, and Construction Division within the new California Infrastructure Department. Appeals should be heard by administrative law judges within the Office of Management and Budget. The Secretary of the Department of Infrastructure should affirm or reject recommended decisions arising from these appeals.

PUBLIC COMMENT

7 comments were received for this recommendation. No comments expressed support. 6 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- Elimination of this board will limit input from the disabled community on building standards issues that directly affect them.
- The current system employed by the board is effective. The board should not be eliminated due to its increasing politicization over the past year.

Considerations

- More details are necessary to ascertain how the public will communicate with the Housing, Buildings, and Construction Division to provide input on regulations on accessibility for people with disabilities in the proposed structure.

California Transportation Commission

ISSUE

All of the California Transportation Commission functions, including programming and allocating of funds for the construction of highway, passenger rail and transit improvements, should be assumed by the new Infrastructure Authority within the new California Infrastructure Department. The Secretary can appoint ad hoc advisory committees if the need for such bodies arises.

PUBLIC COMMENT

All 2 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- This commission has improved transportation delivery management, transportation/infrastructure financing, and capital funding. Transferring these functions to a larger department may reduce the effectiveness of these functions.
- The recommendation did not provide a description or analysis of the commission's functions or performance.
- The independence of the commission is important in making credible and impartial decisions on funding. This independence protects the state from pork barrel decision-making.
- The ability to provide specific, timely, deliberative, and consultative decision-making in a public forum would be diminished if the functions of the commission were transferred to the Infrastructure Authority.
- The commission serves an important role in the initiation and development of state and federal legislation to secure finances for transportation needs. This role may be negatively impacted if the commission is moved.
- Since the commissioners do not receive pay and serve for expenses plus a fee of \$100 per month (up to \$800 per month), minimal cost savings would be realized.

Considerations

- No testimony submitted.

Consumer Power and Conservation Financing Authority*ISSUE*

The Consumer Power and Conservation Financing Authority should be eliminated and the bonding authority for energy-related infrastructure transferred to the new Infrastructure Authority within the California Infrastructure Department.

PUBLIC COMMENT

1 comment was received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Policy setting and rate making need to remain separate.

Considerations

- No testimony submitted.

Electricity Oversight Board

ISSUE

The Electricity Oversight Board has been made nearly obsolete by the energy crisis and rarely holds meetings. Remaining functions, such as representing the state in energy litigation, should be performed by the new California Infrastructure Department.

PUBLIC COMMENT

1 comment was received in support of this recommendation. No opposing or neutral comments were received.

Pros

- The Electricity Oversight Board should be eliminated as it is no longer necessary.

Cons

- No testimony submitted.

Considerations

- No testimony submitted.

Energy Commission

ISSUE

All functions of the Energy Commission should be performed by the consolidated Division of Energy within the newly created California Infrastructure Department. The Secretary can appoint ad hoc advisory committees as the need arises.

PUBLIC COMMENT

19 comments were received for this recommendation. No comments expressed support. 18 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- Public access will be limited, thus diminishing oversight and transparency of the commission.
- The independent nature of the commission provides the opportunity for members to gather unbiased information and develop expertise on critical issues.
- The institutional memory of the commission provides for stable and consistent leadership.
- The commission is a recognized leader in developing innovative energy conservation programs. Elimination of the commission could have an effect on policies across the nation.

Considerations

- Details on the logic behind elimination of this board, possible alternative structures, and implementation are lacking in the California Performance Review. As such, there is insufficient data to develop a well-informed analysis.

Public Works Board

ISSUE

The responsibilities of the Public Works Board should be transferred to the new California Infrastructure Authority within the new California Infrastructure Department. The parkland acquisition function of the board should be shifted to the Wildlife Conservation Board within the Department of Natural Resources.

PUBLIC COMMENT

1 neutral comment was received for this recommendation. No supporting or opposing comments were received.

Pros

- No testimony submitted.

Cons

- No testimony submitted.

Considerations

- The proposed move would be an improvement over current practices. However, it should be noted that acquisition for state parks is different from acquisition for wildlife conservation. An alternative to combining the acquisition function of the board with the Wildlife Conservation Board is to approve the proposal for a new Resource Conservation Board. With the creation of this new board, expertise in state land acquisition can be retained.

Seismic Safety Commission

ISSUE

The Seismic Safety Commission should be eliminated and seismic safety functions, including the review of government-funded seismic activities, should be performed directly by the Division of Housing, Buildings, and Construction within the Infrastructure Department. Combining this commission with the Infrastructure Department will better align seismic safety efforts with infrastructure development and management efforts.

PUBLIC COMMENT

All 31 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- This commission is already representative of the efficiency sought in the California Performance Review. The commission's primary function is to streamline seismic safety policy, coordinate earthquake programs at all government levels and the private sector, and advise the legislative and executive branches on earthquake policy.
- Minimal cost savings would be realized by the commission's elimination as members receive a small stipend for attending monthly meetings. Most research and policy analysis is done on a volunteer basis by individuals involved with the commission. Moreover, the commission receives the majority of its funding through a small fee levied on insurance policies.
- The commission has directly contributed to the reduction of death and property damage resulting from earthquakes through innovative independent research. It is not clear that this program could retain its autonomy to conduct similar research under the Division of Housing, Buildings, and Construction.
- The commission provides access, resources, and information to the public regarding earthquake safety issues and policies.
- Seismic safety requires dedicated and ongoing research in order to create and implement consistent and effective earthquake safety policies.
- The commission has served as a national and international model on seismic safety. Elimination of the commission would cause other states and nations to lose access to resources to maintain safety in their respective towns and cities.
- The commission provides oversight on various issue areas related to earthquake safety, such as building standards, and develops programs for corrective action.

Considerations

- Consideration of the risk California faces with respect to earthquakes must be taken when evaluating the efficacy of placing this independent policy-making commission under the auspices of the more general Infrastructure Department.

State Allocation Board

ISSUE

The State Allocation Board's responsibility for allocating school bond proceeds for the construction of education facilities should be transferred to the new Infrastructure Authority within the California Infrastructure Department.

PUBLIC COMMENT

2 comments were received for this recommendation. No comments expressed support. 1 comment expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- Elimination of this board could reduce a school district's ability to appeal regulatory interpretations.
- The board provides oversight and policy functions to support school construction at minimal cost to the state.

Considerations

- No testimony submitted.

Tax Credit Allocation Committee

ISSUE

The Tax Credit Allocation Committee should be eliminated and its responsibilities for distributing state and federal tax credits to encourage low-income housing construction and retention transferred to the new Infrastructure Authority within the new California Infrastructure Department.

PUBLIC COMMENT

1 comment was received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The Tax Credit Allocation Committee's current structure provides a forum for the public and sponsors of affordable, multifamily housing to receive allocations of federal housing subsidies, to discuss needs and program structuring, and to appeal staff decisions regarding proposed projects. If the Tax Credit Allocation Committee was moved to a large bureaucracy that lacked sensitivity to capital markets and access for those developing housing affordable for low-income Californians, it would diminish the effectiveness of the tax credit program and its ability to address the housing crisis in this state.

Considerations

- No testimony submitted.

Education and Workforce Preparation

Community College Board of Governors

ISSUE

The Community College Board of Governors' responsibility for overseeing the Community College system should be assigned to the Division of Higher Education within the new Department of Education and Workforce Preparation.

PUBLIC COMMENT

9 comments were received for this recommendation. No comments expressed support. 8 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- Support for the community college system with respect to legislative and budgetary concerns would be lost. This board provides a buffer between the Governor and the Community College Board of Governors to provide advocacy.
- Elimination of this board could take away access to decisions made on local college campuses by students, faculty, staff, and members of the community.
- Locally elected trustees understand the issues facing community colleges within their communities. Furthermore, these trustees are held directly accountable to the communities they serve.
- Although there is room for improvement, elimination of this board is not the answer. There is a need for financial, not structural, reform.

Considerations

- No testimony submitted.

Education Audit Appeals Panel

ISSUE

The Education Audit Appeals Panel should be eliminated. The panel's responsibilities for the appeal resolution process should be transferred to the new Department of Education and Workforce Preparation. The Secretary can convene an ad hoc advisory panel if the need arises.

PUBLIC COMMENT

All 2 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The Education Audit Appeals Panel has been a key component in ensuring fair district audits and is an essential element in ensuring equity in the audit process.
- Within the proposed framework the person responsible for approving audit guides and the person responsible for hearing appeals would both be gubernatorial appointees, thus diminishing the credibility and independence of the appeals process.

Considerations

- No testimony submitted.

Quality Education Commission*ISSUE*

The primary task of the Quality Education Commission, the development and refinement of a successful education model, is a core function of the new Department of Education and Workforce Preparation. Given the Department's integrated focus on K-12 and higher education, the Department will be better able to develop a strategy that more effectively aligns the two systems. The Secretary of the Department of Education and Workforce Preparation can also appoint an ad hoc advisory committee as the need arises.

PUBLIC COMMENT

All 3 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The commission is responsible for reviewing the adequacy of funding for public schools and whether funding is commensurate with the academic standards adopted by the state. This function may be diluted within the larger Department of Education and Workforce Preparation.

Considerations

- No testimony submitted.

Health and Human Services

Bureau of Naturopathic Medicine Advisory Committee

ISSUE

The Bureau of Naturopathic Medicine Advisory Committee is not necessary. The Secretary of Health and Human Services will be free to appoint an ad hoc committee if the need arises.

PUBLIC COMMENT

1 comment was received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- This bureau was formed to serve as a resource to protect and educate consumers about health options that may be more cost effective.
- There are minimal cost savings from this proposed elimination as this fee-based board is comprised of volunteer experts.

Considerations

- This bureau has yet to be officially formed.

California Commission on Aging

ISSUE

The task of ensuring that policy decisions give proper consideration to the impacts they will have on older individuals is valuable but does not require the continuation of the California Commission on Aging. These functions would be more effectively and efficiently handled within the Department of Health and Human Services. Furthermore, individual Secretaries of various departments will be empowered to appoint advisory panels as the need arises.

PUBLIC COMMENT

32 comments were received for this recommendation. 1 comment expressed support. 30 comments expressed opposition. 1 comment was neutral.

Pros

- By consolidating the commission, the aging community will have a more powerful and contemporary senior voice in California. In addition, the aging community will have representation that accurately reflects their current needs.
- A single agency will allow for more effective management of policies and processes that affect the senior population. Moreover, a single agency would be able to convene panels to comment on current issues facing older Californians.
- The commission has, unfortunately, become highly politicized. Members, once appointed, do not step down after a change in administration. As such, the commission may not necessarily reflect the sentiment of the current administration.

Cons

- It is unclear whether the proposed change in structure will provide the central body needed to coordinate all aging issues such as housing, health care, and transportation across relevant departments and agencies.
- The independence of the commission aids its ability to promote quality policy decisions as well as advise the Governor on aging-related issues. Furthermore, the commission's autonomous structure gives this commission credibility, which may be lost under this proposal.
- The commission plays a key role in ensuring effective distribution of services and funds. These services may be negatively affected if the functions of the commission are shifted to a larger department.
- Minimal cost savings will be realized as a result of the commission's elimination. Members of the commission are unpaid and expenses are paid from federal funds.

Considerations

- The effect the proposed change will have on the development and implementation of effective aging-related policies must be carefully considered in light of the burgeoning senior population in the state.
- Elimination of this commission may have implications on compliance with the Older Americans Act.

Heart Disease and Stroke Prevention and Treatment Task Force

ISSUE

The Heart Disease and Stroke Prevention and Treatment Task Force should be eliminated as no appointments have been made and the task force has never met. The Secretary of the new Department of Health and Human Services can appoint an ad hoc advisory committee if it is determined that there is a need.

PUBLIC COMMENT

All 46 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Elimination of this task force may be in noncompliance with AB 1220. This bill charges the task force with the responsibility to create a master plan for the coordination and delivery of stroke and cardiac care in California. Upon completion of the master plan, the task force will disband.
- The task force master plan is necessary to secure funding for a comprehensive cardiovascular health program from the Centers for Disease Control and Prevention (CDC). Without this plan, California does not qualify for federal funding.
- Minimal cost savings would be realized as this task force will be funded entirely by private support.
- Cardiovascular and heart disease is an important health concern for Californians. Research in this field could prevent future health costs, disability, and death.

Considerations

- No testimony submitted.

Department of Managed Care Advisory Committee

ISSUE

The Department of Managed Care Advisory Committee is not necessary and should be eliminated. Functions related to overseeing managed health care should be shifted to the Division of Quality Assurance within the new Department of Health and Human Services, which already maintains a core competency in health care oversight. The Department Secretary will be free to assemble an advisory group if the need arises.

PUBLIC COMMENT

2 comments were received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Eliminating this committee will hinder individuals requiring managed care from obtaining assistance and providing public input in the administration of their care.

Considerations

- No testimony submitted.

Managed Risk Medical Insurance Board

ISSUE

The Managed Risk Medical Insurance Board should be eliminated because it is not needed to ensure adequate health coverage for Californians. The various programs operated by the Board should be shifted to the Division of Health Purchasing within the new Department of Health and Human Services.

PUBLIC COMMENT

The 2 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The current structure of the board adequately and effectively administers several exceptional programs. Shifting responsibilities for managing these programs to a larger division may affect delivery of services to individuals.

Considerations

- No testimony submitted.

Medical Assistance Commission

ISSUE

The Medical Assistance Commission should be eliminated because it is not needed to carry out functions related to negotiating contracts for health care. The functions should be carried out by the Division of Health Purchasing within the new Department of Health and Human Services.

PUBLIC COMMENT

4 comments were received for this recommendation. 1 comment expressed support. 3 comments expressed opposition.

Pros

- No testimony submitted.

Cons

- The commission is a unique entity whose functions are not duplicated in the Medi-Cal system. It is the only entity capable of reviewing real world impact of reimbursement policies on the health care system. This function provides the information necessary to make adjustments in the flow of revenue going to providers of medical services to residents of California.
- The commission ensures that Medi-Cal beneficiaries have access to hospital services.
- The independence of the commission is important to fulfilling its functions. Due to the Selective Provider Contracting Program's competitive nature in setting Medi-Cal inpatient rates, it is important that the negotiator of rates be independent from the payer of those rates to guarantee a fair and equitable negotiating process.

Considerations

- No testimony submitted.

Rural Health Policy Council

ISSUE

The Rural Health Policy Council should be eliminated. All matters related to establishing rural health policy should be conducted by the Division of Health Protection within the newly created Department of Health and Human Services.

PUBLIC COMMENT

All 4 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Eliminating the council will not improve access and could have a negative impact on the delivery of services.

Considerations

- No testimony submitted.

PUBLIC SAFETY

911 Advisory Board

ISSUE

The 911 Advisory Board is not necessary to ensure an effective 911 emergency response system. The goal of the Department of Public Safety and Homeland Security is to coordinate emergency response resources. The 911 system is a key element of this emergency response infrastructure. To ensure coordination with the Office of Management and Budget, the Secretary of Public Safety, in conjunction with the Director of the Office of Management and Budget, should assemble an ad hoc coordinating committee drawing on the necessary range of government and nongovernmental expertise.

PUBLIC COMMENT

2 comments were received for this recommendation. No comments expressed support. 1 comment expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- The board is necessary to revamp the current 911 system in order to provide cities and counties recourse for decisions made by the General Services agency relative to 911 funding.
- Minimal cost savings would be realized with the elimination of this board.

Considerations

- Further details on implementation are necessary. It is possible that the proposed structure could undermine local government participation in the 911 emergency response system.

Commission on Emergency Medical Services

ISSUE

The Commission on Emergency Medical Services should be eliminated and its functions, including review and approval of regulations to implement the Emergency Medical Services Act, should be transferred to the Division of Fire and Emergency Management within the newly created Department of Public Safety and Homeland Security. The Department Secretary may appoint an ad hoc advisory committee if the need arises

PUBLIC COMMENT

7 comments were received for this recommendation. 1 comment expressed support. 6 comments expressed opposition.

Pros

- No testimony submitted.

Cons

- Elimination of this commission may limit stakeholders from providing input on state regulatory processes pertaining to emergency medical services.

- In the proposed structure, authority would be concentrated in an appointed position. This undermines the credibility of the system and does not provide for checks and balances.
- The commission uses existing and voluntary administrative staff, thus minimal cost savings would be realized.
- The commission provides important multi-disciplinary review of emergency medical services issues.
- Operational and terrorist disaster responsibilities can be located in the Division of Fire and Emergency Management. However, medical disaster functions would be better served if those responsibilities were kept with a retained Commission on Emergency Medical Services.

Considerations

- No testimony submitted.

State Board of Fire Services

ISSUE

The State Board of Fire Services should be eliminated as it has not met in more than a year. All duties related to fire prevention and protection should be performed by the Division of Fire and Emergency Management within the new Department of Public Safety and Homeland Security.

PUBLIC COMMENT

6 comments were received for this recommendation. No comments expressed support. 5 expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- The board allows fire service personnel, the public, and local governments to provide input on safety codes and regulations affecting fire safety and other issues affecting local communities.

Considerations

- A system where fire service professionals are able to communicate with the community in order to achieve missions and goals should be in place. Such a system would also provide for public accountability for the coordination of hazards protection.

Corrections

Youth Authority Board

ISSUE

The Youth Authority Board should be eliminated and its functions should be transferred to existing staff within the California Youth Authority.

PUBLIC COMMENT

1 comment was received in support of this recommendation. No opposing or neutral comments were received.

Pros

- This board should be eliminated as it does not carry out its functions in a productive or effective manner.

Cons

- No testimony submitted.

Considerations

- No testimony submitted.

Miscellaneous

Athletic Commission

ISSUE

The Athletic Commission is not necessary and should be closed. The state does not require a commission of political appointees to oversee basketball, hockey, football or a variety of other sports that have amateur and professional organizations that oversee their operations,

set their own rules, and are self-enforcing. The same should be the case for the sports currently regulated by the Athletic Commission, namely boxing and martial arts. Federal law specifically authorizes the Association of Boxing Commissions to oversee boxing matches in states without a commission. The small pension fund administered by the Athletic Commission should be transferred to the Retirement Benefits Division of the Office of Management and Budget.

PUBLIC COMMENT

1 comment was received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Federal law allows for the Association of Boxing Commissions to oversee boxing matches in states without a commission and implies that any other state (typically a neighboring state) with a regulatory body can oversee boxing matches in states without a commission. The state of Nevada does not have the interest or ability to potentially regulate boxing matches in California.

Considerations

- No testimony submitted.

Board of Guide Dogs for the Blind

ISSUE

Eliminate the Board of Guide Dogs for the Blind because it is not necessary to conduct licensing functions. These activities should be performed within the Division of Higher Education within the new Department of Education and Workforce Preparation, which should license and oversee private higher education institutions and vocational schools.

PUBLIC COMMENT

2 comments were received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Elimination of this board may negatively affect the delivery of services to individuals who are blind and use guide dogs to assist them.

Considerations

- No testimony submitted.

Commission on Asian and Pacific Islander American Affairs

ISSUE

The promotion and recognition of the Asian and Pacific Islander (API) communities should be transferred to a new Governor’s Office of Community Affairs. This office should be directly accountable to the Governor for the success or failure of the programs operated by these separate agencies.

PUBLIC COMMENT

All 64 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Minimal fiscal benefit to the state as this commission is supported by private funds.
- The commission ensures that the needs of the API communities are addressed at all levels of government. In addition, it gives the API communities the opportunity to hold government accountable to their civic needs.
- The commission provides input and assessment on the delivery of state programs and services for the Asian and Pacific Islander communities to the Governor, Legislature, and other state entities.
- The commission is necessary until those most disadvantaged are adequately and effectively represented.

- Eliminating the independence of the Commission on Asian and Pacific Islander American Affairs from the Office of the Governor will diminish the committee's credibility.

Considerations

- The new Governor's Office of Community Affairs could face challenges advising the Governor and Legislature on issues specific to the Asian and Pacific Islander community.
- Locating the duties of the commission within the larger framework of the new Governor's Office of Community Affairs could affect the delivery of services and programs specifically designed for the Asian and Pacific Islander communities.

Holocaust, Genocide, Human Rights, Tolerance, Education Task Force

ISSUE

The responsibilities associated with the Holocaust, Genocide, Human Rights, Tolerance, Education Task Force should be transferred to a new Governor's Office of Community Affairs. This office should be directly accountable to the Governor for the success or failure of the programs operated by these separate agencies. It should also serve as a focal point for access to the Governor's Office for all communities and cultures.

PUBLIC COMMENT

2 comments were received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Decision-making on programs and policies affecting this group of people will be made by individuals who are not specifically dedicated to understanding and meeting the needs of this community.

Considerations

- The new Governor's Office of Community Affairs should complement, rather than replace, the task force.

Mexican American Veterans Memorial Board

ISSUE

The Mexican American Veterans Memorial Commission should be eliminated and the responsibilities for the promotion and recognition of this group should be transferred to a new Governor's Office of Community Affairs. This office should be directly accountable to the Governor for the success or failure of the programs operated by these separate agencies.

PUBLIC COMMENT

1 comment was received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Elimination of this commission may negatively affect public access to policies and resources regarding Mexican American veterans memorial issues.

Considerations

- No testimony submitted.

Commission on the Status of Women

ISSUE

The promotion and recognition of women in California should be transferred to a new Governor's Office of Community Affairs. This office should be directly accountable to the Governor for the success or failure of the programs operated by these separate agencies.

PUBLIC COMMENT

31 comments were received for this recommendation. No comments expressed support. 30 comments expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Commission on the Status of Women

"We strongly support the maintenance of the California Commission on the Status of Women. Insuring that the voice of all women and girls in California remains heard is critical to the well-being of the state and all its citizens."

Judy Jorgensen
President
Junior League of San Francisco
Written Testimony

Cons

- The Commission serves as the central resource for issues and information concerning women in the state.
- The Commission works with local communities to promote women's health, education, and civic participation.
- The Commission provides an outlet for public discussion of women's issues by organizing conferences and forums.

Considerations

- No testimony submitted.

Vietnam Veteran's Memorial Commission

ISSUE

The Vietnam Veteran's Memorial Commission should be eliminated and the responsibilities for the promotion and recognition of this group should be transferred to a new Governor's Office of Community Affairs. This office should be directly accountable to the Governor for the success or failure of the programs operated by these separate agencies.

PUBLIC COMMENT

1 comment was received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Elimination of this commission may negatively affect public access to policies and resources regarding Vietnam veteran's memorial issues.

Considerations

- No testimony submitted.

Commission on Uniform State Laws

ISSUE

The Commission on Uniform State Laws should be eliminated as the major work comes from coordination with the National Conference of Commissioners on Uniform State Laws. California can continue to participate in this national effort without appointing a separate state commission.

PUBLIC COMMENT

2 comments were received in opposition to this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- Commissioners from the Commission on Uniform State Laws are needed to vote on provisions of Acts and whether or not to adopt Acts at the National Conference of Commissioners on Uniform State Laws. As such, elimination of the commission may affect state input and control over private law.

Considerations

- Transferring functions of the commission to legal counsel may be an alternative.

Franchise Tax Board

ISSUE

The Franchise Tax Board will be eliminated and its authorities transferred to the newly created California Tax Commission, which will be directly responsible for tax collecting functions currently scattered across numerous departments, including the Franchise Tax Board, the Department of Motor Vehicles, and the Employment Development Department.

PUBLIC COMMENT

2 comments were received for this recommendation. No comments expressed support. 1 comment expressed opposition. 1 comment was neutral.

Pros

- No testimony submitted.

Cons

- The Franchise Tax Board is a successful and efficient entity. The independence this board has with respect to tax administration should not be diminished.
- Under the proposal, the Board of Equalization would directly administer Franchise Tax Board and Board of Equalization tax collection functions while acting as an independent appeals body. This is a conflict of interest and could violate the separation of powers principle.

Considerations

- It is not clear if the Chief Audits Division will be comprised of auditors from the Franchise Tax Board, the Employment Development Department, and the Board of Equalization.
- It is recommended that consolidation of the Information Technology functions of the Board of Equalization, Franchise Tax Board, Department of Motor Vehicles, and Employment Development Department also be considered.
- The Franchise Tax Board's role as the project agent acting on behalf of the Department of Child Support Services may be at risk in this proposal. It is recommended that the changes in the organizational structure of the Department of Child Support Services be deferred until the California Child Support Automated System has been successfully implemented and meets federal certification requirements.

Veteran's Board*ISSUE*

The functions of the Board, administering benefits to the state's military veterans, do not require a separate board and should be performed within the new Department of Veterans' Affairs. Appeals currently heard by the board should be heard by administrative law judges within the Office of Management and Budget. The Secretary of the Department of Veterans' Affairs should approve or reject the recommended decisions resulting from these hearings.

PUBLIC COMMENT

All 13 comments received oppose this recommendation. No supporting or neutral comments were received.

Pros

- No testimony submitted.

Cons

- The appeals process should be handled by an autonomous body.
- The board serves as an impartial and unbiased entity with respect to the appeals process.
- Eliminating the board would remove the direct oversight and policy guidance provided to the California Department of Veteran's Affairs.
- The cost savings to the state would be minimal as the board is comprised mainly of volunteers who are only paid through reimbursement of expenses incurred.
- The CPR did not provide an adequate analysis of why this board was chosen for elimination.

Considerations

- No testimony submitted.

Boards and Commission Not Commented on by the Public

Testimony that solely addressed the proposed elimination of the following boards and commissions was not received. However, issues related to the roles, responsibilities, and functions of these boards and commissions may be addressed elsewhere in the preceding discussion of CPR recommendations.

Commerce and Consumer Protection

- Banking Advisory Council
- Credit Union Advisory Committee (in the Department of Financial Institutions)
- Electronic Commerce Advisory Council
- Inspection and Maintenance Review Committee (in the Bureau of Automotive Repair)

- Private Security Disciplinary Review Commission (North/South)
- Alarm Company Disciplinary Review Committee
- Real Estate Advisory Commission

Labor and Economic Development

- Commission of the Californias
- Small Business Board
- Small Business Reform Task Force

Environment and Natural Resources

- Interagency Aquatic Invasive Species Council
- Oil Spill Technical Advisory Commission

Infrastructure

- California Water Commission
- Departmental Transportation Advisory Committee
- High Speed Rail Authority
- Low Income Oversight Board
- Public Library Construction and Renovation Board

Education and Workforce Preparation

- Brown v. Board of Education of Topeka Advisory Committee
- California Career Resources Network (formerly known as Occupational Information Coordinating Committee)
- California Postsecondary Education Commission
- Student Aid Commission
- Loan Advisory Council

Health and Human Services

- Child Development Policy and Advisory Committee
- Health Policy and Data Advisory Commission
- Clinical Advisory Panel

Public Safety

- Campus Sexual Assault Task Force
- Racial Profiling Panel
- Victims Compensation and Government Claims Board

Corrections

- Board of Prison Terms
- Correctional Peace Officer Standards and Training Commission
- Joint Venture Policy Advisory Board
- Narcotic Addict Evaluation Authority
- Prison Industry Board

Miscellaneous

- Bipartisan California Commission on Internet Political Practices
- Governor's Commission on Veteran's Cemeteries